



**POLYCAB**  
Connection Zindagi Ka  
**POLYCAB INDIA LIMITED**

Polycab India Limited (our "Company") was incorporated as 'Polycab Wires Private Limited' on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word 'private' was struck off from the name of our Company with effect from June 30, 2000. Thereafter, our Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word 'private' was added in the name of our Company with effect from June 15, 2001. Subsequently, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"), recording the change of our Company's name to 'Polycab Wires Limited'. Thereafter, the name of our Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited', and a fresh certificate of incorporation dated October 13, 2018 was issued by the RoC. For details of change in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 212.

Registered office: E-554, Greater Kailash – II, New Delhi 110 048, Tel: +91 11 2922 8574, Fax: +91 11 4105 4838

Corporate office: Polycab House, 771, Mogal Lane, Mahim (West), Mumbai 400 016

Contact Person: Sai Subramanian Narayana, Company Secretary and Compliance Officer; Tel: +91 22 2432 7074; Fax: +91 22 2432 7075

E-mail: investor.relations@polycab.com Website: www.polycab.com

Corporate Identity Number: U31300DL1996PLC266483

**PROMOTERS OF OUR COMPANY: INDER T. JAISINGHANI, AJAY T. JAISINGHANI, RAMESH T. JAISINGHANI AND GIRDHARI T. JAISINGHANI**

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE, AGGREGATING UP TO ₹ [•] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 5,000 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 24,886,823 EQUITY SHARES BY THE INVESTOR SELLING SHAREHOLDER, THE PROMOTER SELLING SHAREHOLDERS, THE PROMOTER GROUP SELLING SHAREHOLDERS AND THE INDIVIDUAL SELLING SHAREHOLDERS, COLLECTIVELY REFERRED TO AS THE "SELLING SHAREHOLDERS" (DEFINED HEREINAFTER) AGGREGATING UP TO ₹ [•] MILLION (SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, COLLECTIVELY REFERRED TO AS THE "OFFERED SHARES" AND SUCH AN OFFER FOR SALE, "OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION FOR ELIGIBLE EMPLOYEES (DEFINED HEREINAFTER) ("EMPLOYEE RESERVATION PORTION") (WHICH SHALL NOT EXCEED 5% OF THE POST-OFFER EQUITY SHARE CAPITAL OF OUR COMPANY). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [•] AND [•] OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT SIZE FOR THE OFFER WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE LEAD MANAGERS AND WILL BE ADVERTISED IN [•] EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [•] AND [•] EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [•], (HINDI, ALSO BEING THE REGIONAL LANGUAGE IN THE PLACE WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND 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 PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid / Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective website of the Lead Managers and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs") and other Designated Intermediaries, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") through the Book Building Process, in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers, ("QIBs") ("QIB Portion"), provided that our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, at the Anchor Investor Allocation Price. At least 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 under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (including the Employee Reservation Portion), except in the QIB Category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Lead Managers and the Designated Stock Exchange. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer in the manner described in "The Offer" on page 85. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. All potential investors, other than Anchor Investors, shall participate in the Offer through an Application Supported by Blocked Amount ("ASBA") 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 573.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Offer Price determined and justified by our Company and the Selling Shareholders, in consultation with the Lead Managers, as stated under "Basis for Offer Price" beginning on page 122, 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 or sustained trading in the Equity Shares and / or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire 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 Securities and Exchange Board of India ("SEBI"), nor does 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" beginning on page 20.





**COMPANY'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms, only the information given specifically by such Selling Shareholder solely in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company or the other Selling Shareholder in this Draft Red Herring Prospectus.

**LISTING**




The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an "in-principle" approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [•] and [•], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [•]. 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 627.

**GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS**

			
<b>Kotak Mahindra Capital Company Limited</b> 1st Floor, 27 BKC Plot No. 27, G Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: +91 22 4336 0000 Fax: +91 22 6713 2445 E-mail: polycab.ipo@kotak.com Investor Grievance E-mail: kmccredressal@kotak.com Contact Person: Ganesh Rane Website: www.investmentbank.kotak.com SEBI Registration No.: INM000008704	<b>Axis Capital Limited</b> 1st Floor, Axis House C-2, Wadia International Centre Pandurang Budhkar Marg Worli Mumbai 400 025 Tel: +91 22 4325 2183 Fax: +91 22 4325 3000 E-mail: polycab.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Mangesh Ghogre SEBI Registration No.: INM000012029	<b>Citigroup Global Markets India Private Limited</b> 1202, 12th Floor First International Financial Centre G-Block, C54 & 55, Bandra Kurla Complex Bandra (East) Mumbai 400 098 Tel: +91 22 6175 9999 Fax: +91 22 6175 9898 E-mail: polycab.ipo@citi.com Investor grievance e-mail: investors.cgmib@citi.com Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Archit Khemka SEBI Registration No.: INM000010718	<b>Edelweiss Financial Services Limited</b> 14th Floor, Edelweiss House Off C.S.T. Road Kalina Mumbai 400 098 Tel: +91 22 4009 4400 Fax: +91 22 4086 3610 E-mail: polycab.ipo@edelweissfin.com Investor Grievance E-mail: customer.service.mb@edelweissfin.com Contact Person: Shubham Mehta / Mohit Kapoor Website: www.edelweissfin.com SEBI Registration No.: INM0000010650

**BOOK RUNNING LEAD MANAGERS**

**REGISTRAR TO THE OFFER**

		
<b>IIFL Holdings Limited</b> 10th Floor, IIFL Centre Kamala City Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Tel: +91 22 4646 4600 Fax: +91 22 24931073 E-mail: polycab.ipo@iiflcap.com Investor Grievance E-mail: ig.ib@iiflcap.com Contact Person: Ujjwal Kumar / Nishita Mody Website: www.iiflcap.com SEBI Registration No.: INM000010940	<b>YES Securities (India) Limited</b> IFC, Tower 1&2, Unit No. 602 A 6th Floor, Senapati Bapat Marg Elphinstone (West) Mumbai 400 013 Tel: +91 22 3012 6919 Fax: +91 22 2421 4508 E-mail: polycab.IPO@yesscuritiesitd.in Investor Grievance E-mail: igc@yesscuritiesitd.in Contact Person: Nikhil Bhiwapurkar / Ronak Shah Website: www.yesinvest.in SEBI Registration No.: MB/INM000012227	<b>Karvy Computershare Private Limited</b> Karvy Selenium, Tower B Plot number 31 & 32 Gachibowli Financial District Nanakrangauda Hyderabad 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 E-mail: einward.ris@karvy.com Investor grievance e-mail: polycab.ipo@karvy.com Contact Person: M. Murali Krishna Website: https://karisma.karvy.com SEBI registration No.: INR000000221

**BID / OFFER PROGRAMME**

BID / OFFER OPENS ON		[•] <sup>(1)</sup>
BID / OFFER CLOSES ON		[•] <sup>(2)</sup>

<sup>(1)</sup> Our Company and the Selling Shareholders may, in consultation with the Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.

<sup>(2)</sup> Our Company and the Selling Shareholders may, in consultation with the Lead Managers, 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.

## TABLE OF CONTENTS

<b>SECTION I: GENERAL</b> .....	<b>1</b>
DEFINITIONS AND ABBREVIATIONS .....	1
CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION .....	16
FORWARD-LOOKING STATEMENTS .....	18
<b>SECTION II: RISK FACTORS</b> .....	<b>20</b>
<b>SECTION III: INTRODUCTION</b> .....	<b>51</b>
SUMMARY OF INDUSTRY .....	51
SUMMARY OF OUR BUSINESS .....	55
SUMMARY OF FINANCIAL INFORMATION .....	64
THE OFFER .....	85
GENERAL INFORMATION .....	87
CAPITAL STRUCTURE .....	97
OBJECTS OF THE OFFER.....	114
BASIS FOR OFFER PRICE .....	122
STATEMENT OF TAX BENEFITS .....	126
TAXATION UNDER U.S. LAW .....	129
<b>SECTION IV: ABOUT OUR COMPANY</b> .....	<b>132</b>
INDUSTRY OVERVIEW .....	132
OUR BUSINESS .....	181
REGULATIONS AND POLICIES .....	209
HISTORY AND CERTAIN CORPORATE MATTERS .....	212
OUR SUBSIDIARIES AND JOINT VENTURES .....	222
OUR MANAGEMENT .....	226
OUR PROMOTERS AND PROMOTER GROUP .....	242
OUR GROUP COMPANIES .....	249
RELATED PARTY TRANSACTIONS .....	254
DIVIDEND POLICY .....	255
<b>SECTION V: FINANCIAL INFORMATION</b> .....	<b>256</b>
FINANCIAL STATEMENTS .....	256
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS .....	504
FINANCIAL INDEBTEDNESS .....	527
<b>SECTION VI: LEGAL AND OTHER INFORMATION</b> .....	<b>529</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	529
GOVERNMENT AND OTHER APPROVALS .....	538
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	542
<b>SECTION VII: OFFER INFORMATION</b> .....	<b>565</b>
TERMS OF THE OFFER .....	565
OFFER STRUCTURE.....	570
OFFER PROCEDURE .....	573
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	615
<b>SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION</b> .....	<b>616</b>
<b>SECTION IX: OTHER INFORMATION</b> .....	<b>627</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	627
DECLARATION .....	630

## 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 meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy as amended from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

#### General Terms

Term	Description
“our Company” / “the Company” / “the Issuer”	Polycab India Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at E-554, Greater Kailash – II, New Delhi 110 048
We / us / our	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries and Joint Ventures

#### Company Terms

Term	Description
Amendment cum Termination Agreement	The amendment cum termination agreement dated September 28, 2018 entered into amongst our Company, IFC, our Promoters and certain members of our Promoter Group, namely, Reina R. Jaisinghani and Raju G. Jaisinghani
Articles of Association / AoA	Articles of association of our Company as amended from time to time
Auditor / Statutory Auditor	Statutory auditor of our Company, namely S R B C & CO LLP, Chartered Accountants
Board / Board of Directors	Board of Directors of our Company including any duly constituted committee thereof
Corporate Office	Polycab House, 771, Mogul Lane, Mahim (West), Mumbai, 400 016
CSR Committee	Corporate Social Responsibility Committee of our Company constituted in accordance with the applicable provisions of the Companies Act, 2013
Director(s) <sup>(1)</sup>	Director(s) of our Company
Dowells Cable	Dowells Cable Accessories Private Limited
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
ESOP Performance Scheme	Polycab Employee Stock Option Performance Scheme 2018
ESOP Plan 2018	Polycab Employee Stock Option Plan 2018 together with schemes placed under such plan
ESOP Privilege Scheme	Polycab Employee Stock Option Privilege Scheme 2018
Executive Directors	Executive directors of our Company, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and Shyam Lal Bajaj.
Group Companies	Companies as identified in “ <i>Our Group Companies</i> ” on page 249
IFC	International Finance Corporation
IFC Agreements	Shareholders’ agreement, subscription agreement, and option agreement each dated June 25, 2009 entered into amongst our Company, IFC, our Promoters and certain members of our Promoter Group, namely, Reina R. Jaisinghani and Raju G. Jaisinghani, as amended by / read together with the Amendment cum Termination Agreement
Independent Directors	Independent directors of our Company, namely Radhey Shyam Sharma, Tilokchand Punamchand Ostwal, Pradeep N. Poddar and Hiroo Mirchandani  For details, see “ <i>Our Management</i> ” beginning on page 226
Individual Selling Shareholders	Collectively, Anil H. Hariani and Ramakrishnan Ramamurthi
Investor Selling Shareholder	IFC

Term	Description
Joint Ventures	Ryker Base Private Limited and Techno Electromech Private Limited. For details, see “ <i>History and Certain Corporate Matters</i> ” and “ <i>Our Subsidiaries and Joint Ventures</i> ” beginning on pages 212 and 222, respectively.
Key Management Personnel / KMP	Key management / managerial personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in “ <i>Our Management</i> ” on page 233
Memorandum of Association / MoA	Memorandum of association of our Company as amended from time to time
Net Asset value	Restated Net worth at the end of the year / period divided by total number of equity shares outstanding at the end of the year / period
Net Worth	Net Worth includes Equity share capital, Securities Premium, Retained Earnings, and Other Reserves
NRC Committee	Nomination and Remuneration Committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations
Polycab Italy	Polycab Wires Italy SRL
Promoter Group	Persons and entities constituting the promoter group of our Company as set out in “ <i>Our Promoters and Promoter Group</i> ” beginning on page 242
Promoter Group Selling Shareholders	Collectively, Bharat A. Jaisinghani, and Nikhil R. Jaisinghani
Promoter Selling Shareholders	Collectively, Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and Girdhari T. Jaisinghani
Promoters	Promoters of our Company, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and Girdhari T. Jaisinghani
Raw Material Costs of Goods Sold	Comprise the cost of materials consumed, purchases of traded goods, changes in inventories of finished goods, traded goods and work-in-progress and project bought outs and other cost
Registered Office	E-554, Greater Kailash – II, New Delhi 110 048
Registrar of Companies / RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana
Restated Consolidated Financial Statements	Collectively: (i) the restated consolidated summary statements of assets and liabilities as at June 30, 2018 and March 31, 2018, March 31, 2017 and March 31, 2016 and the restated consolidated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the three months period ended June 30, 2018 and fiscals 2018, 2017 and 2016 of the Company, its subsidiaries and joint ventures (the “ <b>Group</b> ”), prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (“ <b>IndAS Rules</b> ”) and restated in accordance with the SEBI ICDR Regulations, SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (“ <b>SEBI Circular</b> ”) and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI (“ <b>Prospectus Guidance Note</b> ”) and such summary statements, the “ <b>Restated IndAS Consolidated Summary Statements</b> ”; and (ii) the restated consolidated summary statements of assets and liabilities at March 31, 2015 and March 31, 2014 and the restated consolidated summary statements of profit and loss and cash flows for the fiscals 2015 and 2014 of the Group, taken together, prepared in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, SEBI Circular and the Prospectus Guidance Note (the “ <b>Restated Indian GAAP Consolidated Summary Statements</b> ”)
Restated Financial Statements	Restated Consolidated Financial Statements and Restated Unconsolidated Financial Statements
Restated Unconsolidated Financial Statements	Collectively: (i) the restated unconsolidated summary statements of assets and liabilities as at June 30, 2018 and March 31, 2018, March 31, 2017 and March 31, 2016 and the restated unconsolidated statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the three months period ended June 30, 2018 and fiscals 2018, 2017 and 2016 of the Company, prepared in accordance with the

Term	Description
	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note (the “ <b>Restated IndAS Unconsolidated Summary Statements</b> ”); and (ii) the restated unconsolidated summary statements of assets and liabilities at March 31, 2015 and March 31, 2014 and the restated unconsolidated summary statements of profit and loss and cash flows for the fiscals ended 2015 and 2014 of our Company, prepared in accordance with the Companies Act, 2013 and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note (the “ <b>Restated Indian GAAP Unconsolidated Summary Statements</b> ”)
Ryker	Ryker Base Private Limited
Ryker plant	Manufacturing facility set up by Ryker in Waghodia, Vadodara, India to produce copper wire rods
Selling Shareholders	Collectively, the Investor Selling Shareholder, the Promoter Selling Shareholders, the Promoter Group Selling Shareholders and the Individual Selling Shareholders
Senior Management Personnel / SMP	Senior management / managerial personnel of our Company as disclosed in “ <i>Our Management</i> ” on pages 233 to 235
Shareholders	Shareholders of our Company from time to time
Subsidiaries	Dowells Cable Accessories Private Limited, Tirupati Reels Private Limited and Polycab Wires Italy SRL
Techno	Techno Electromech Private Limited
Tirupati Reels	Tirupati Reels Private Limited
Trafigura	Trafigura Pte Limited

(1) The term ‘director’ does not apply to the designations of Bharat A. Jaisinghani, Nikhil R. Jaisinghani, and Anil Hariani.

#### Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in 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 Shareholders, in consultation with the Lead Managers
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid / Offer Period	One Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price

Term	Description
	The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders, in consultation with the Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an 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 submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Escrow Collection Bank, Refund Bank and Public Offer Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in “Offer Procedure” beginning on page 573
Bid	An indication to make an offer during the Bid / Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid / Offer Period by the Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and Prospectus  The term “Bidding” shall be construed accordingly
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●]. Our Company and the Selling Shareholders may, in consultation with the Lead Managers, 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 and in case of any revision, the extended Bid / Offer Closing Date shall also be notified on the website of the Lead Managers and at the terminals of the Syndicate Members
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●]
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 Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Anchor Investor or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid in the Offer  However, Eligible Employees applying in the Employee Reservation Portion, subject to the Bid Amount being up to ₹ 200,000, and Retail Individual Investors can apply at the Cut-Off Price and the Bid amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. 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.

<b>Term</b>	<b>Description</b>
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer, namely, IIFL Holdings Limited and YES Securities (India) Limited
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker  The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid / Offer Period
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	The cash escrow agreement to be entered into among our Company, the Selling Shareholders, the Lead Managers, the Registrar to the Offer, the Banker(s) to the Offer and the Syndicate Members for <i>inter alia</i> , collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
CDP / Collecting Depository Participant	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 number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Cut-off Price	The Offer Price finalised by our Company and the Selling Shareholders, in consultation with the Lead Managers  Only Retail Individual Bidders and the Eligible Employees under the Employee Reservation Portion (subject to the Bid Amount being up to ₹ 200,000) are entitled to Bid at the Cut-off Price. Eligible Employees applying for the Bid Amount above ₹ 200,000 under the Employee Reservation Portion, 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, name of the Bidders' father / husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at  <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms  The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	The members of the Syndicate, Sub-Syndicate members / Agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated October 30, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee	<p>All or any of the following:</p> <p>(a) A permanent and full-time employee of our Company or any of our Subsidiaries (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent and full-time employee of our Company or any of our Subsidiaries until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; or</p> <p>(b) a Director of our Company, whether a whole-time Director or otherwise, (excluding our Promoters and members of Promoter Group and other Directors 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 a Director of our Company until submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form.</p> <p>An employee, who is recruited against regular vacancy but is on probation as on the date of submission of the Bid cum Application Form will also be deemed a 'permanent and a full time employee'.</p> <p>The maximum bid amount under the Employee Reservation Portion by an Eligible Employee cannot exceed ₹ 500,000</p>
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating to ₹ [●] million, available for allocation to Eligible Employees which will not exceed 5% of the post-Offer Equity Share capital of our Company
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH /NEFT / RTGS / direct credit in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being [●]
First / Sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names



Term	Description
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 5,000 million by our Company.
General Information Document / GID	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, suitably modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 included in “Offer Procedure” beginning on page 583
Global Co-ordinators and Book Running Lead Managers / GCBRLMs	The global co-ordinators and book running lead managers to the Offer, namely, Kotak Mahindra Capital Company Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited and Edelweiss Financial Services Limited
Lead Managers	Collectively, the Global Co-ordinators and Book Running Lead Managers, and the Book Running Lead Managers
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis subject to valid bids received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Bidders / NIBs	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)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
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, comprising: <ul style="list-style-type: none"> <li>(i) the Fresh Issue of up to [●] Equity Shares aggregating upto ₹ 5,000 million</li> <li>(ii) Offer for Sale of up to 24,886,823 Equity Shares aggregating upto ₹ [●] million by the Selling Shareholders</li> </ul> The Offer comprises the Net Offer and Employee Reservation Portion
Offer Agreement	The offer agreement dated October 30, 2018 entered among our Company, the Selling Shareholders and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 24,886,823 Equity Shares by the Selling Shareholders aggregating up to ₹ [●] million

Term	Description
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price (which will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers) in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers on the Pricing Date in accordance with the Book-building Process and the Red Herring Prospectus
Offered Shares	Up to 24,886,823 Equity Shares aggregating up to ₹ [●] million being offered by the Selling Shareholders in the Offer for Sale comprising up to 10,588,223 Equity Shares by IFC, up to 2,843,000 Equity Shares by Inder T. Jaisinghani, up to 2,819,000 Equity Shares by Ajay T. Jaisinghani, up to 2,819,000 Equity Shares by Ramesh T. Jaisinghani, up to 2,829,000 Equity Shares by Girdhari T. Jaisinghani, up to 720,300 Equity Shares by Bharat A. Jaisinghani, up to 720,300 Equity Shares by Nikhil R. Jaisinghani, up to 698,000 by Anil H. Hariani and up to 850,000 by Ramakrishnan Ramamurthi in the Offer for Sale
Price Band	The price band of a minimum price of ₹ [●] per Equity Shares (Floor Price) and the maximum price of ₹ [●] per Equity Shares (Cap Price) including revision(s) thereof  The price band and the minimum bid lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers and will be advertised in [●] editions of the English national daily newspaper [●] and [●] editions of the Hindi national daily newspaper [●], (Hindi, also being the regional language in the place 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 purpose of uploading on their websites.
Pricing Date	The date on which our Company and the Selling Shareholders in consultation with the Lead Managers, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The account to be opened, in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Bank	The bank with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●]
QIB Bidders	QIBs who Bid in the Offer
QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer or [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors)  Our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis
QIBs / Qualified Institutional Buyers	The qualified institutional buyers 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 provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	[●]
Registered Brokers	The stock brokers registered with the SEBI and 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 4, 2012 issued by SEBI

<b>Term</b>	<b>Description</b>
Registrar Agreement	The registrar agreement dated October 11, 2018 entered into among our Company, the Selling Shareholders 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 / Registrar	Karvy Computershare Private Limited
Regulation S	Regulation S under the Securities Act
Retail Individual Bidder(s) / Retail Individual Investor(s) / RII(s) / RIB(s)	Individual Bidders, other than Eligible Employees submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and does not include Non-Resident Indians other than Eligible NRIs
Retail Portion	The portion of the Net Offer being not less than 35% of the Net Offer or [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees, who are Retail Individual Bidders, can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
RTAs / Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Rule 144A	Rule 144A under the Securities Act
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or such other website as updated from time to time
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement
Share Escrow Agreement	The share escrow agreement to be entered into among our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of the Offered Shares and credit of such Offered Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate / Members of the Syndicate	The Lead Managers and the Syndicate Members
Syndicate Agreement	The syndicate agreement to be entered into among our Company, the Selling Shareholders, the Lead Managers, the Registrar and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Trademarks Act	Trade Marks Act, 1999
U.S. Person	U.S. Person as defined under Regulation S
US GAAP	Generally Accepted Accounting Principles in the United States of America
Underwriters	[●]
Underwriting Agreement	The underwriting agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC

Term	Description
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(zn) of the SEBI ICDR Regulations
Working Day	All days, excluding second and fourth Saturdays of the month, Sundays and public holidays, on which commercial banks in Mumbai are open for business, except with reference to (i) announcement of Price Band and Bid/Offer Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in Mumbai; and (ii) for the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, it shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

#### Technical / Industry Related Terms / Abbreviations

Term	Description
AC	Alternating current
Al	Aluminium
ALFS	Aluminium flat strip
ALRW	Aluminium round wire
ASRS	Automatic storage and retrieval system
BASEC	British approvals service for cables
BIS	Bureau of Indian Standards
CRISIL	CRISIL Limited
CRISIL Report / Industry Report	Report dated October, 2018 and titled 'Assessment of electrical products industry in India – October 2018' prepared by CRISIL
CRM	Customer relationship management
CRM programme	Customer relationship management programme
CSR	Corporate social responsibility
Cu	Copper
CWIP	Capital work-in-progress
DB	Distribution board
DC	Direct current
Debtor Days	Trade receivables (current and non-current) divided by revenue from operations divided by 365.
EHV	Extra-high voltage
ERP	Enterprise resource planning
EPR	Ethylene propylene rubber
EWA	Electrical wiring accessories
FMEG	Fast moving electrical goods
FR	Flame retardant
FRLS	Flame retardant low smoke
GPS	Global positioning system
GSFS	Galvanized steel flat strip
GSRW	Galvanized steel round wire
HDPE	High-density poly ethylene

<b>Term</b>	<b>Description</b>
HR	Heat resistant
HT	High tension
IEC	International electrotechnical commission
IoT	Internet of things
Inventory Days	Inventory divided by raw material cost of goods sold divided by 365
ISO	International Organization for Standardization
IT	Information technology
LAN	Local-area network
LDCs	Light duty cables
LDPE	Low-density poly ethylene
LED	Light emitting diode
LME	London metal exchange
LT	Low tension
LV	Low voltage
MES	Manufacturing execution system
MOST	Maynard operation sequence technique
MCB	Miniature circuit breakers
MT	Metric ton
MV	Medium voltage
NABL	National Accreditation Board for Testing and Calibration Laboratories
OEM	Original equipment manufacturer
OHSAS	Occupational Health and Safety Assessment Series
Payable Days	Trade payables divided by Raw Material Cost of Goods Sold divided by 365
PV	Photovoltaic
PVC	Poly vinyl chloride
PVC (ST2)	Poly vinyl chloride ST-2 grade
PVC Compounds	collectively, PVC, HDPE, LDPE and XLPE
RCBO	Residual current breaker with overcurrent
RCCB	Residual current circuit breakers
R&D	Research and development
QAP	Quality assurance plan
TDS	Tax deducted at source
TPW	Table wall pedestal
uPVC	Unplasticized polyvinyl chloride
UL	Underwriters laboratories
XLPE	Cross linked poly ethylene
ZHFR	Zero Halogen Flame Retardant

## Conventional and General Terms / Abbreviations

Term	Description
€	European Euro
₹ / Rs. / Rupees / INR	Indian Rupees
AGM	Annual general meeting
AIFs	Alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	Air (Prevention and Control Of Pollution) Act, 1981
Bn / bn	Billion
BSE	BSE Limited
CAGR / Compounded annual growth rate	Means the $(\text{Ending value} / \text{beginning value})^{(1/\text{number of periods})} - 1$
Category I foreign portfolio investors	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CENVAT	Central value added tax
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CIN	Corporate identity number
Civil Code	Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules made thereunder
Competition Act	Competition Act, 2002
Debt to equity	Non-current borrowing plus current borrowing plus current maturities of long term borrowings divided by total equity including non-controlling interest
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DP / Depository Participant	Depository participant as defined under the Depositories Act
DP ID	Depository participant’s identification
EBITDA	Profit before tax plus finance cost plus depreciation and amortisation expense
EBITDA margin	EBITDA divided by total income less of excise duty
EGM	Extraordinary general meeting
Environment Act	Environment (Protection) Act, 1986
EPS	Earnings per share
Factories Act	Factories Act, 1948

<b>Term</b>	<b>Description</b>
FCCDs	Fully Compulsorily Convertible Debentures
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the Department of Industrial Policy & Promotion under D/o IPP F.No. 5(1)/2017-FC-1 dated August 28, 2017, effective from August 28, 2017
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year / Fiscal / Fiscal Year / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
Gazette	Gazette of India
GDP	Gross domestic product
GIR	General index register
GoI / Government	Government of India
GST	Goods and services tax
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and referred to in the IndAS Rules
India	Republic of India
Indian Accounting Standard Rules	Companies (Indian Accounting Standards) Rules of 2015
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial public offering
IST	Indian Standard Time
KYC	Know your customer
Legal Metrology Act	Legal Metrology Act, 2009
Legal Metrology Rules	Legal Metrology (Package Commodities) Rules, 2011
MCA	Ministry of Corporate Affairs, Government of India
MCI	Ministry of Commerce and Industry
Mn / mn	Million
MoU	Memorandum of understanding
MW	Megawatt
N.A. / NA	Not applicable

<b>Term</b>	<b>Description</b>
NACH	National Automated Clearing House
NAV	Net asset value
NCLT	National Company Law Tribunal
NEFT	National electronic fund transfer
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA
NR	Non-resident
NRI	A person resident outside India, who is a citizen of India or an 'overseas citizen of India' within the meaning of Section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
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 was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ODI Regulations	Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004
P / E Ratio	Price / earnings ratio
p.a.	Per annum
PAN	Permanent account number
PAT	Profit after tax
PAT margin	Profit for the year divided by total income less of excise duty
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
ROCE / Return on Capital Employed	(Profit before tax plus finance cost) divided by closing value of (non-current borrowings plus current borrowings plus current maturities of non-current borrowings plus total equity including non-controlling interest)
ROE / Return on Equity	Profit for the year divided by closing value of equity including non-controlling interests
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000



<b>Term</b>	<b>Description</b>
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act, 1933
SICA	Erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Stamp Act	Indian Stamp Act, 1899
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.S. / USA / United States	United States of America
USD / US\$	United States Dollars
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations
Water Act	Water (Prevention and Control Of Pollution) Act 1974

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Statement of Tax Benefits*”, “*Financial Statements*”, “*Regulations and Policies*”, “*Offer Procedure – Part B*”, “*Basis for Offer Price*”, “*Industry Overview*” and “*Main Provisions of Articles of Association*” beginning on pages 126, 256, 209, 583, 122, 132 and 616 respectively, shall have the meaning given to such terms in such sections.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

All references to “India” in this Draft Red Herring Prospectus are to the Republic of India and all references to the “U.S.”, “US”, “USA” or “United States” are to the United States of America and all references to “Italy” are to the Italian Republic.

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 the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Consolidated Financial Statements for three months period ended June 30, 2018 and fiscals 2018, 2017, 2016 (prepared in accordance with the Companies Act and IndAS and restated in accordance with the SEBI ICDR Regulations, SEBI Circular and ICAI guidance note), fiscals 2015 and 2014 (prepared in accordance with the Companies Act and Indian GAAP), restated in accordance with the SEBI ICDR Regulations, SEBI Circular and ICAI guidance note.

For risks relating to significant differences between Ind AS, Indian GAAP and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition*” on page 43.

Our Company’s financial year commences on April 1 and ends on March 31 of the following year; accordingly, all references in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year are to the 12 months ended March 31 of such year, unless otherwise specified.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures, in decimals have been rounded off to the second decimal for all amounts in ₹ million and all percentage figures have been rounded off to two decimal places unless stated otherwise.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” Or “Re” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” are to United States Dollar, the official currency of the United States;
- “EUR” or “EURO” or “€” are to Euro, the official currency of European Union; and
- “GBP” or “POUND” or “£” are to Pound, the official currency of the United Kingdom.

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million” and “billion” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

### Exchange Rates

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

The following table sets forth details of the exchange rate between the Rupee and other currencies, for the periods indicated:

Currency	As on September 30, 2018 <sup>(1)</sup>	As on June 30, 2018 <sup>(2)</sup>	As on March 31, 2018 <sup>(3)</sup>	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014 <sup>(4)</sup>
1 USD*	72.54	68.58	65.04	64.84	66.33	62.59	60.10
1 EUR*	84.44	79.85	80.62	69.25	75.10	67.51	82.58
1 GBP*	94.90	89.93	92.28	80.88	95.20	92.76	99.73

\* RBI reference rate and [www.fbil.org.in](http://www.fbil.org.in)

<sup>(1)</sup> Exchange rate as on September 28, 2018, as RBI reference rate is not available for September 30, 2018 being a Sunday.

<sup>(2)</sup> Exchange rate as on June 29, 2018, as RBI reference rate is not available for June 30, 2018 being a Saturday.

- (3) Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.
- (4) Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

**Time:** All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

### **Industry and Market Data**

Industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the CRISIL Report.

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. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, our Promoters, any of the Selling Shareholders or the Lead Managers or any of their respective affiliates or advisors and none of these parties make any representations as to the accuracy of this information. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

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 industries in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based solely on such information.

### **Disclaimer of CRISIL**

This Draft Red Herring Prospectus contains data and statistics from a report dated October, 2018 and titled 'Assessment of electrical products industry in India – October, 2018', prepared by CRISIL, which has been commissioned by our Company for the purposes of confirming our understanding of the industry in connection with the Offer. CRISIL has requested the following disclaimer for inclusion of the information in the CRISIL Report in this Draft Red Herring Prospectus.

***CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). CRISIL does not guarantee the accuracy, adequacy or completeness of any Data/ any material contained in or referred to in the Report. While CRISIL takes reasonable care in preparing the Report, CRISIL shall not be responsible for any errors or omissions in or for the results obtained from the use of Data or the decisions made based on, the Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Polycab India Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.***

For details of risks in relation to the CRISIL report, see "Risk Factors – We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us" on page 41.

In accordance with the SEBI ICDR Regulations, "Basis for Offer Price" on page 122 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Lead Managers have independently verified such information.

## 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”, “goal”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” 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 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.

Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. *Significant increases or fluctuations in prices of, or shortages of, or delay or disruption in supply of primary raw materials could affect our estimated costs, expenditures and timelines which may have a material adverse effect on our business, financial condition, results of operations and cash flows.*
2. *Our continued operations at our manufacturing facilities are critical to our business and any disruption, breakdown or shutdown of our manufacturing facilities may have a material adverse effect on our business, financial condition, results of operations and cash flows.*
3. *We are heavily dependent on the performance of the wires and cables market. Any adverse changes in the conditions affecting the wires and cables market can adversely impact our business, financial condition, results of operations, cash flows and prospects.*
4. *Our inability to maintain the stability of our distribution network and attract additional distributors and dealers may have a material adverse effect on our results of operations and financial condition.*
5. *If we are unable to maintain and enhance our brand, the sales of our products will suffer, which would have a material adverse effect on our results of operations.*
6. *We are exposed to foreign currency fluctuation risks, particularly in relation to our borrowings, import of raw materials and export of products, which may adversely affect our results of operations, financial condition and cash flows.*
7. *We are highly dependent on our key management team as well as our mid-to-senior personnel and our success depends in large part upon our Promoters. The loss of or our inability to attract or retain such persons could materially adversely affect our business performance.*

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” beginning on pages 20, 181 and 504, 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 gains or losses could materially differ from those that have been estimated.

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 of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs 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, our Directors, any of the Selling Shareholders, the Lead Managers nor any of their respective affiliates or advisors 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 regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the date of final listing and trading approvals for the Equity Shares by the Stock Exchanges pursuant to the Offer. In accordance with the SEBI ICDR Regulations, the Selling Shareholders, severally and not jointly, will ensure that Bidders in India are informed of material developments in relation to the statements and undertakings specifically confirmed by the respective Selling Shareholders relating to themselves and their respective portion of the Offered Shares in the Red Herring Prospectus until the time of the date of grant of final listing and trading approvals in relation to the Offer from the Stock Exchanges. Only statements and undertakings which are specifically

“confirmed” or “undertaken” by the Selling Shareholders, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, deemed to be statements and undertakings made by such Selling Shareholders.

## SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with “Our Business”, “Industry Overview” and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 181, 132 and 504, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors should rely on their own examination of us and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. Please see “Forward-Looking Statements” beginning on page 18.*

*Unless the context requires otherwise, the financial information used in this section is derived from our restated consolidated financial information.*

### INTERNAL RISK FACTORS

- 1. Significant increases or fluctuations in prices of, or shortages of, or delay or disruption in supply of primary raw materials could affect our estimated costs, expenditures and timelines which may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our operations are dependent upon the price and availability of the primary raw materials that we require for the production of our wires and cables and FMEGs.

Our primary raw materials are (i) copper, (ii) aluminium, (iii) steel, and (iv) polyvinyl chloride (“PVC”) compound / high-density polyethylene (“HDPE”) / low-density polyethylene (“LDPE”) / cross-linked polyethylene (“XLPE”) / resin (collectively, “PVC Compounds”). The total cost of copper, aluminium, steel and PVC Compounds consumed accounted for 56.82%, 18.27%, 4.75% and 13.60%, respectively, of our total cost of materials consumed in Fiscal 2018, 55.90%, 18.61%, 5.22% and 15.23%, respectively, of our total cost of materials consumed in Fiscal 2017 and 54.14%, 19.70%, 5.48% and 16.13%, respectively, of our total cost of materials consumed in Fiscal 2016. As commodity metals, the prices of copper and aluminium are linked to the prices on the London Metal Exchange (“LME”), while the price of PVC Compounds is linked to crude oil prices. As such, we have in the past experienced cost fluctuations for these raw materials due to volatility in the commodity markets or crude oil prices, as the case may be. While we have generally been able to pass on the cost increases to our customers, there can be no assurance that we will be able to continue doing so in the future. If we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected. For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Raw Materials Costs of Goods Sold” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosure about Market Risk – Commodity Risk” beginning on pages 507 and 524, respectively.

The prices and supply of these primary raw materials are also affected by, among others, general economic conditions, competition, production costs and levels, transportation costs, indirect taxes and import duties, tariffs and currency exchange rate. Further, as we source our raw materials from third parties, our supply chain may be interrupted by circumstances beyond our control. Poor quality roads and other transportation-related infrastructure problems, inclement weather and road accidents may disrupt the transportation of raw materials.

While we usually maintain three to four weeks of inventory for all our primary raw materials, we have experienced instances of shortages in a limited manner. During such periods of shortages in raw materials, we may not be able to manufacture our products according to our pre-determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, results of operations, cash flows and reputation.

- 2. Our continued operations at our manufacturing facilities are critical to our business and any disruption, breakdown or shutdown of our manufacturing facilities may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, labor disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. See “– We operate

*in a labor intensive industry and are subject to stringent labor laws and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.” on page 24.*

In addition, our facilities and operations require constant power supply. See “– *We have significant power and fuel requirements and any disruption to power sources could increase our production costs and adversely affect our results of operations.*” on page 29. Any disruption in the supply of power may disrupt our operations, which may interfere with manufacturing process, requiring us to either stop our operations or repeat activities which may involve additional time and increase our costs. While we believe we have adequate stand-by power supply, this may not be adequate if the disruption in the supply of the power is for a longer period. Additionally, such standby power supply may not be sufficient to enable us to operate our facilities at full capacity and any such disruption in the primary power supply available at our production facilities could materially and adversely affect our business, financial condition, results of operations and cash flows.

Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. While we seek to ensure a continuous supply of products to our customers, our customer relationships, business and financial results may be materially adversely affected by any disruption of operations of our product lines, including due to any of the factors mentioned above.

**3. *We are heavily dependent on the performance of the wires and cables market. Any adverse changes in the conditions affecting the wires and cables market can adversely impact our business, financial condition, results of operations, cash flows and prospects.***

We derive most of our revenue from operations from the manufacture and supply of wires and cables. For Fiscals 2016, 2017 and 2018, wires and cables external sales accounted for 91.58%, 91.60% and 89.32%, respectively of our total income. As a result, our business and financial condition is heavily dependent on the performance of the wires and cables market globally and in India and we are exposed to fluctuations in the performance of these markets. In the event of a decrease in demand for wires and cables in India or abroad, we will experience pronounced effects on our business, results of operations, financial condition, cash flows and prospects.

The wires and cables market may be affected by, among others, changes in government policies, government initiatives, economic conditions, income levels and interest rates, which may negatively affect the demand for and the valuation of our products. These and other factors may negatively contribute to changes in the prices of and demand for our wires and cables and may materially adversely affect our business, financial condition, results of operations and cash flows.

**4. *Our inability to maintain the stability of our distribution network and attract additional distributors and dealers may have a material adverse effect on our results of operations and financial condition.***

We rely on our network of dealers and distributors to sell our products in each of the regions in which we operate. Additionally, we depend on our network of agents for, *inter alia*, business development in certain jurisdictions, cargo handling, transportation, warehousing and delivery at the destination and load port for export cargo and import cargo, respectively. For this purpose, we enter into dealer, distributor and logistics agreements with such agents and generally renewable pursuant to mutual consent. There can be no assurance that such arrangements will continue to be successful or be renewed after expiry of the stipulated term. Any alteration to or termination of our current agreements with agents or any failure to enter into new and similar agreements on commercially favorable terms or at all, could materially adversely affect our business, financial condition, prospects or results of operations.

Our business, to some extent, depends on maintaining good relationships with our distributors and dealers and ensuring that our distributors and dealers find our products to be commercially remunerative and have continuing demand from customers. Further, our growth as a business depends on our ability to attract additional distributors and dealers to our distribution network. As at the date of this Draft Red Herring Prospectus, we do not have any arrangements with our distributors and dealers which requires them to exclusively sell our products. In addition, we have no control over our competitors who may offer greater incentives to our distributors and dealers. As such, there can be no assurance that our current distributors and dealers will continue to do business with us, or that we can continue to attract additional distributors and dealers to our network. If we fail to maintain the stability of our distribution network and attract additional distributors to our distribution network, our sales and market share may decline which would have a material adverse impact on our business, financial condition, results of operations and cash flows.

**5. *If we are unable to maintain and enhance our brand, the sales of our products will suffer, which would have a material adverse effect on our results of operations.***

We believe that our brand plays a significant role in the success of our business and sustaining customer loyalty. The ability to differentiate our brand and products from that of our competitors through our promotional, marketing and advertising initiatives is an important factor in attracting customers. There can be no assurance that our brand name

will not be adversely affected in the future by actions that are beyond our control including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our reputation, competitive position in India and abroad, business, financial condition, results of operations and cash flows.

Maintaining and enhancing our brand image may also require us to undertake significant expenditures and make investments in areas such as research and development, advertising and marketing, through media and other channels of publicity, and towards employee development and training. If our initiatives in any of these areas are not effectively implemented or our products fail to find acceptance with our existing and potential customers resulting in loss of customer confidence in our brand for any reason, our ability to attract and retain customers could be adversely affected.

**6. *We are exposed to foreign currency fluctuation risks, particularly in relation to our borrowings, import of raw materials and export of products, which may adversely affect our results of operations, financial condition and cash flows.***

We face foreign exchange rate risk to the extent that our revenue, expenses, assets or liabilities are denominated in a currency other than the Indian Rupee. Our financial statements are presented in Indian Rupees. However, a significant portion of our raw material purchases, in particular aluminium, copper and PVC Compound, are priced by reference to benchmarks quoted in US dollars, and hence our expenditures are largely influenced by the value of the US dollar. To a lesser extent, our revenue is influenced by the currencies of countries to which we export our products, largely being the US dollar, Euro or British Pound. For Fiscals 2016, 2017 and 2018, our expenditure on consumption of imported raw material accounted for a significant portion, though not a majority, of our total Raw Material Costs of Goods Sold. Although India remains our largest market, our sales to customers located outside India contribute to 5.35%, 5.70% and 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscals 2016, 2017 and 2018. For details on the exchange rates between the Indian Rupee and the US Dollar, Euro and British Pound, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Exchange Rates*” beginning on page 508.

Depreciation of the Indian Rupee against the U.S. Dollar, the Euro and other foreign currencies may adversely affect our results of operations by increasing the cost of the raw materials we import or any proposed capital expenditure in foreign currencies. Although we generally seek to pass exchange rate fluctuations through to our customers through increases in our prices, there can be no assurance that we will be able to do so immediately or fully, which could adversely affect our business, financial condition, results of operations and cash flows.

Further, while we seek to hedge our foreign currency risk by entering into forward exchange forward contracts, any steps undertaken to hedge the risks due to fluctuations in currencies may not adequately hedge against any losses we incur due to such fluctuations. As at March 31, 2016, 2017 and 2018, we have ₹(3,528.56) million, ₹(3,908.72) million and ₹(4,455.13) million of unhedged US Dollar exposure (net outflow) and ₹(146.22) million, ₹(165.91) million and ₹(243.60) million of unhedged Euro exposure (net outflow). For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Exchange Rates*” beginning on page 508.

**7. *We are highly dependent on our key management team as well as our mid-to-senior personnel and our success depends in large part upon our Promoters. The loss of or our inability to attract or retain such persons could materially adversely affect our business performance.***

The overall attrition rate for Fiscals 2016, 2017 and 2018 was 1.28%, 2.04% and 1.89%, respectively.

Our business and the implementation of our strategy is dependent upon our key management team, who oversee our day-to-day operations, strategy and growth of our business. There can be no assurance that we will be able to retain these personnel or find adequate replacements in a timely manner, or at all. We may not be able to hire and train replacement personnel immediately when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. Further, our competitors may offer compensation and remuneration packages beyond what we are offering to our key management team. If one or more members of our key management team are unable or unwilling to continue in their present positions, such persons would be difficult to replace in a timely and cost-effective manner, and our business, prospects and results of operations could be materially adversely affected.

In addition, our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate skilled personnel. While we have an experienced technical and production team, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. Competition for management and other skilled personnel in our industry is intense. The loss of key personnel or our inability to replace key personnel may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows.



Each of our Promoters has more than four decades of experience in the wires and cables industry. The involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

**8. *We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations and financial condition.***

For Fiscals 2016, 2017 and 2018, our capital expenditures, reflected in our financial statements as additions/adjustments to property, plant and equipment were, ₹2,553.94 million, ₹2,685.56 million and ₹2,080.03 million, respectively. The actual amount and timing of our future capital requirements may differ from estimates due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes, additional market developments and new opportunities in the wires and cable industry. Our sources of additional financing, where required to meet our capital expenditure plans, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the shareholding of existing shareholders.

Additionally, our ability to obtain additional financing on favorable commercial terms, if at all, will depend on a number of factors, including, amongst others:

- our results of operations and cash flows;
- the amount and terms of our existing indebtedness;
- general market conditions in the markets where we operate; and
- general condition of the debt and equity markets.

In addition, changes in the global and Indian credit and financial markets may affect the availability of credit to our customers and decrease a demand for our products. Our inability to obtain funding on reasonable terms, or at all, could affect our ability to manufacture products and would have an adverse effect on our business and results of operations.

In many cases, a significant amount of our working capital is required to finance the purchase of materials before payment is received from our customers. Our trade receivables are non-interest bearing and are generally on credit terms up to 90 days, except for our EPC business. For our EPC business, our credit terms are dependent on the terms of our contracts. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosure about Market Risk – Credit Risk*” on page 525.

Our working capital requirements may increase if the payment terms in our agreements with our customers or purchase orders include reduced advance payments or longer payment schedules. These factors may result, and have in the past resulted, in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements may have a material adverse effect on our financial condition and results of operations.

**9. *We face significant competitive pressures in our business. Our inability to compete effectively would be detrimental to our business and prospects for future growth.***

We face significant competition in our business from other manufacturers and suppliers of electrical products. For details, see “*Industry Overview*” beginning on page 132. The industry and markets for our products are characterized by factors such as rapid technological change, the development of new end products and their rapid obsolescence, evolving industry standards and significant price erosion over the life of a product. We primarily compete based on the following:

- product functionality, quality and reliability;
- design, technical, research and production capabilities;
- ability to meet customers’ order requirements and delivery schedules;
- distributor, dealer and customer relationships and services; and
- product price.

There can be no assurance that we will maintain our competitiveness in any of these areas with respect to any of our products. While we work consistently to offset pricing pressures, produce new products, advance our technological capability, improve our services or enhance our production efficiency to reduce costs, such efforts may not be successful. Also, as we plan to expand our offerings to launch new products, we may face strong competition from other players in the same markets. Many of our existing and potential competitors may seek to equal or exceed us in terms of their financial, production, sales, marketing and other resources. If we fail to compete effectively in the future, our business and prospects could be materially and adversely affected.

**10. *We operate in a labor intensive industry and are subject to stringent labor laws and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.***

Our manufacturing processes are labor intensive in nature. In the summer months or during the harvesting season, a significant portion of our labor force return to their hometowns for summer holiday and/or to assist their families in the harvesting of crops, resulting in a temporary labor shortage which may affect the production in our manufacturing facilities. Further, if we or our contractors are unable to negotiate with the labor or their sub-contractors, it could result in work stoppages or increased operating costs due to higher than anticipated wages or benefits.

During periods of shortages in labor, we may not be able to manufacture our products according to our previously determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, results of operations, cash flows and reputation.

We are also subject to a number of stringent labor laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. If labor laws become more stringent, it may become more difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In addition, the Company has entered into contracts with independent contractors under the Contract Labor (Regulation and Abolition) Act, 1970 and the Company may be liable for defaults, if any with respect to such contractors. If we are unable to renew the contracts with our independent contractors at commercially viable terms or at all, our business, financial condition and results of operations could be materially and adversely affected.

In Fiscal 2017, workmen at our Halol plant went on strike for a period of three weeks. The strike did not materially adversely affect our operations as we are able to ramp up production at our Daman facility. However, there can be no assurance that such strikes or work stoppages will not occur again in the future. In addition, work stoppages or slow-downs experienced by our customers or key suppliers could result in slow-downs or closures of our units where our products are included in the end products. If we or one or more of our customers or key suppliers experience a work stoppage, such work stoppage could have an adverse effect on our business, financial condition, cash flows and results of operations.

**11. *We depend on a limited number of third parties for the supply of our primary raw materials and delivery of products and such third parties could fail to meet their obligations, which may have a material adverse effect on our business, results of operations, financial condition and cash flows.***

We are dependent on a limited number of third-party suppliers for the supply of our primary raw materials which are copper, aluminium, steel and PVC Compounds. See “*Our Business – Raw Materials and Procurement*” beginning on page 201 for the suppliers who accounted for 5.0% or more of our consolidated cost of sales for Fiscals 2016, 2017 and 2018. For Fiscals, 2016, 2017 and 2018, purchases from these major suppliers accounted for 62.8%, 54.4% and 69.5% of our total costs of materials purchased.

Further, we have entered into supply contracts with certain foreign and domestic suppliers for the purchase of these primary raw materials. Discontinuation of production by these suppliers, failure of these suppliers to adhere to any delivery schedule, failure to provide materials of the requisite quality and quantity or any discontinuation of these supplies as result of a breach of the supply contracts either by our Company or by the suppliers, could hamper our production schedule and therefore have a material adverse effect on our business and results of operations.

This dependence may also adversely affect the availability of primary raw materials to us at reasonable prices, thus affecting our margins, and may have a material adverse effect on our business, financial condition, results of operations and cash flows. There can be no assurance that high demand, capacity limitations or other problems experienced by our suppliers such as, plant shutdown, transportation strikes will not result in occasional shortages or delays in their supply of raw materials. For example, in May 2018, one of our copper suppliers was ordered by the Government of Tamil Nadu to seal its copper smelter factory. While the shutdown of the copper smelter factory did not materially affect our production cycle or operations, there can be no assurance that any such factory shutdowns of our suppliers in the future would not have a material and adverse impact on our operations. If we were to experience a significant

or prolonged shortage of our primary raw materials from any of our suppliers, and we cannot procure such raw materials from other sources, we would be unable to meet our production schedules for some of our key products and deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future or at a reasonable price. Further, any change in the supply pattern of our raw materials or the delivery of our products can adversely affect our business and profits.

We also use third-party services for the transport of raw materials to our manufacturing plants and finished goods to our direct customers, distributors and dealers, as well as between production facilities. We have entered into supply agreements pursuant to which we can claim compensation for losses incurred due to a breach of delivery obligations by our suppliers. Transportation strikes have occurred in the past and have disrupted our supply of raw materials and delivery of products. If such strikes were to occur again in the future, our business, financial condition and results of operations could be materially and adversely affected.

**12. *We regularly work with hazardous materials and activities in our operation can be dangerous, which could cause injuries to people or property.***

Our business requires individuals to work under potentially dangerous circumstances (such as being exposed to radiation) or with flammable materials. For example, if improperly handled, molten metal can seriously hurt or even kill employees or other persons, and cause damage to our properties and the properties of others. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including explosions, fires, mechanical failures and other operational problems, inclement weather and natural disasters, discharges or releases of hazardous substances, chemicals or gases and other environmental risks.

These hazards can cause personal injury and loss of life or destruction of property and equipment as well as environmental damage. For example, in 2013, we had an accident at one of our facilities at Daman, where the lid of an autoclave unhooked, resulting in two fatalities and injuries to three of our staff. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigation filed on behalf of persons alleging injury predominantly due to occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, financial condition, results of operations and cash flows could be adversely affected.

**13. *We are subject to strict quality requirements and any product defect issues or failure by us or our raw material suppliers to comply with quality standards may lead to the cancellation of existing and future orders, recalls or warranty and exposure to potential product liability claims.***

We face an inherent business risk of exposure to product defects and subsequent liability claims if the use of any of our products results in personal injury or property damage. We and our component suppliers may not be able to meet regulatory quality standards in India or abroad, or the quality standards imposed by our customers and applicable to our manufacturing processes, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

If any of our products do not meet regulatory standards or are defective, we may be, *inter alia*, (i) responsible for damages relating to any defective products, (ii) required to replace, recall or redesign such products or (iii) incur significant costs to defend any such claims.

We usually provide a guarantee or warranty against manufacturing defects on our products. For example, our cables and wires carry a guarantee period of 12 months from the date of commissioning or 18 months from the date of receipt and acceptance at the consignee's end, whichever is earlier and our FMEG carry a warranty period between one to five years, for instance, one to two years for electric fans and LED lighting and luminaire and five years for switchgears and switches. Any defect in our finished products may result in customers making a guarantee / warranty claim. We have had warranty claims made against our products in the ordinary course of our business. While there have not been any warranty claims made against our products or any cancellation of existing or future orders resulting in a material adverse impact on our business, financial condition, results of operations and cash flows, there can be no assurance that this will continue in the future. There can be no assurance that we or our component suppliers comply or can continue to comply with all regulatory requirements or the quality requirement standards of our customers. Because of the longer useful life of some our products, it is possible that latent defects might not appear for several years. There is no guarantee that any future non-compliance with quality standards will not result in a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

The failure by us or any of our suppliers to achieve or maintain compliance with regulatory requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, with a component supplier, until a new supplier has been identified and evaluated. The quality of raw materials and the goods we trade in will have an impact on the quality of the finished products and in turn affect our brand image, business and revenue. There is no assurance that our products will always meet the satisfaction of our customers'

quality standards. Our or our component supplier's failure to comply with applicable regulations could cause adverse consequences to be imposed on us, including warning letters, fines, injunctions, civil penalties, the refusal of regulatory authorities to grant approvals, delays, suspensions or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, all of which could harm our business. There can be no assurance that if we need to engage new suppliers to satisfy our business requirement, we will be able locate new suppliers in compliance with regulatory requirements in a timely manner, or at all. Failure to do so could lead to the cancellation of existing and future orders and have a material adverse effect on our business and revenue.

**14. Our Company, Subsidiaries, Joint Ventures, Directors and Promoters are involved in certain criminal and civil legal proceedings. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, financial condition, results of operations and cash flows.**

Our Company, Subsidiaries, Joint Ventures, Directors and Promoters are involved in certain criminal and civil legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals or other governmental authorities. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. Any adverse decision in such legal proceedings may have a material adverse effect on our business, financial condition, results of operations and cash flows.

A summary of outstanding litigation in relation to criminal matters, tax matters, other matters exceeding the materiality threshold, and actions by regulatory or statutory authorities against us, our Subsidiaries, our Joint Ventures, our Directors and our Promoters, as applicable, as at the date of this Draft Red Herring Prospectus is set out below.

- *Litigation against our Company*

Sr. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	4	Not ascertainable
2.	Action by regulatory/ statutory authorities	1	Not ascertainable
3.	Other matters exceeding ₹ 37.08 million	2	682.14
4.	Other matters considered material	1	0.65
5.	Direct tax	Nil	Nil
6.	Indirect Tax	46	700.98
	<b>Total</b>	<b>54</b>	<b>1,383.77</b>

- *Litigation against our Directors*

Sr. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	5	Not ascertainable
2.	Action by regulatory/ statutory authorities	Nil	Nil
3.	Other matters exceeding ₹ 37.08 million	Nil	Nil
4.	Other matters considered material	3	9.24
5.	Direct tax	Nil	Nil
6.	Indirect tax	1	3
	<b>Total</b>	<b>9</b>	<b>12.24</b>

- *Litigation against our Subsidiaries and Joint Ventures*

Sr. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	Nil	Nil
2.	Action by regulatory/ statutory authorities	1	Not Ascertainable
3.	Other matters exceeding ₹37.08 million	Nil	Nil
4.	Direct tax	Nil	Nil
5.	Indirect tax	2	3.90
	<b>Total</b>	<b>3</b>	<b>3.90</b>

- *Litigation against our Promoters*

Sr. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	4	Not Ascertainable
2.	Action by regulatory/ statutory authorities	Nil	Nil
3.	Other matters exceeding ₹ 37.08 million	Nil	Nil
4.	Other matters considered material	1	9.24
5.	Direct tax	Nil	Nil
6.	Indirect tax	1	3.00
	<b>Total</b>	<b>6</b>	<b>12.24</b>

Further, in determining our provisions for income tax and our accounting for tax-related matters in general, we are required to exercise judgment. We regularly make estimates where the ultimate tax determination is uncertain. From time to time we may become subject to tax assessments, tax litigation or similar proceedings, the result of which may be materially different from that reflected in our financial statements. The assessment of additional taxes, interest and penalties in connection with such proceedings could be materially adverse to our current and future results of operations, financial condition and cash flows. For further details with respect to the outstanding litigation against our Company, Subsidiaries, Joint Ventures, Directors and Promoters, see “*Outstanding Litigation and Material Developments*” beginning on page 529.

In addition, on May 5, 2017, RBI issued a memorandum of compounding of contraventions to our Company in respect of alleged violations of Regulation 16A(3) and 15(i) of the ODI Regulations in relation to our Subsidiary, Polycab Wires Italy SRL (and subsequent compounding of offence in terms of applicable guidelines for compounding of contraventions under FEMA). Accordingly, our Company filed the compounding application with RBI for alleged contravention of the ODI Regulations. Subsequently, the RBI directed our Company to submit fresh compounding application with the prescribed fees and all requisite documents after completing all administrative actions with the Overseas Investment Division. For further details, see “*Outstanding Litigation and Material Developments – Litigation filed against our Company -Actions taken by Statutory or Regulatory Authorities*” beginning on page 530.

Further, on May 17, 2018, Nirav Anupam Tarkas, the Resolution Professional (“**RP**”) on behalf of Startus Foods Private Limited (“**Applicant Company**”), allegedly filed an interlocutory application (“**Application**”) before the NCLT, Ahmedabad Bench, against our Company under section 32 of the National Company Law Tribunal Rules, 2016. Pursuant to the commencement of the liquidation proceedings against the Applicant Company in terms of IBC, the RP allegedly filed the Application praying, *inter alia*, (i) permission to file insolvency petition against our Company under section 9 of the IBC, and (ii) recovery of the alleged dues of ₹ 0.65 million together with the interest in respect of the catering services rendered by the Applicant Company to our Company under the service agreement entered between the Applicant Company and our Company. Our Company has filed a reply to the Application stating that the invoices raised by the Applicant Company were never accepted by it as the Applicant Company failed to provide the services for the concerned period, and accordingly, no amount was due to the Applicant Company by our Company. Our Company has not received any notice till date from NCLT, Ahmedabad Bench in respect of the Application. Accordingly, our Company deems the matter to be closed. For further details, see “*Outstanding Litigation and Material Developments – Litigation filed against our Company – Other matters considered material*” beginning on page 531.

Such aforesaid proceedings have diverted management time and attention and have consumed financial resources in their defense or prosecution. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. We cannot assure you that any of these proceedings will be decided in our favor or that no further liability will arise out of these proceedings.

15. *We are subject to various laws, regulations, approvals and licenses required in the ordinary course of business, including environmental, health and safety laws and other regulations. Any failure to obtain or retain them in a timely manner may materially adversely affect our operations.*

Our business and operations are subject to a number of approvals, licenses, registrations and permissions for construction of our manufacturing facilities, warehouses, branch offices and regional offices, in addition to extensive government regulations for the protection of the environment and occupational health and safety. We have either made or are in the process of making an application or renewal for obtaining necessary approvals that are not in place or have expired. We may also need to apply for additional approvals including the renewal of approvals which may expire from time to time, in the ordinary course of business. For instance, our Company is currently in the process of, and, has filed applications for obtaining provisional no-objection certificates for its manufacturing facilities situated at

Daman, Halol and Waghodia, as required under applicable laws. In addition, our Company, Subsidiaries and Joint Ventures have applied for certain approvals or renewals but have yet to receive the relevant approval or renewal. If we fail to retain, renew or receive any of such approvals, licenses, registrations, permissions or renewals, in a timely manner or at all, our business, financial condition, results of operations and prospects may be adversely affected. For details of pending renewals and pending material approvals, see “*Government and Other Approvals*” beginning on page 538.

Further, our government approvals and licenses are subject to certain conditions, some of which are onerous and require us to make substantial compliance-related expenditure. If we fail to comply or a regulator claims that we have not complied with such conditions, our business, prospects, financial condition and results of operations may be adversely affected. For instance, the Department of Legal Metrology has issued a notice to our Company in respect of alleged violation of the Legal Metrology Act and Legal Metrology Rules in relation to manufacture and packaging of certain products by our Company. For details, see “*Outstanding Litigation and Material Developments*” beginning on page 529.

**16. *Our failure to keep our technical knowledge confidential could erode our competitive advantage.***

We possess extensive technical knowledge about our products. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may be leaked, either inadvertently or willfully, at various stages of the production process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. While we may enter into non-disclosure agreements with our suppliers, there can be no assurance that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as many of our designs and products are not patented, and thus we may have no recourse against copies of our products and designs that enter the market subsequent to such leakages. If the confidential technical information in respect of our products or business becomes available to third parties or to the public, any competitive advantage we may have over our competitors could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have a material adverse effect on our business, results of operations, financial condition and/or prospects.

**17. *If we are unable to accurately forecast customer demand for our products, we may not be able to maintain optimum inventory levels resulting in additional strain on our resources.***

While we manufacture a significant portion of our products for sale based on confirmed orders under direct contractual arrangements, we determine the quantities manufactured for sales and distribution through our authorized dealers pursuant to management estimates based on historic trends and demand data and our forecasts provided to us by our authorized distributors and dealers, which is used to extrapolate expected future sales pattern.

Our future earnings through the sale and distribution of our products may not be realized as forecasted, due to cancellations or modifications of firm orders or our failure to accurately prepare demand forecasts. If we are unable to appropriately estimate the demand for our products for any reason, it could result in excess inventory levels or unavailability of our products during increased demand, resulting in below potential sales. For Fiscal 2018, we maintained an inventory of finished goods of 9.32% of our revenue from operations.

Our ability to accurately forecast customer demand for our products is affected by various factors, including:

- a substantial increase or decrease in the demand for our products or for similar offerings of our competitors;
- changes in customer requirements;
- aggressive pricing strategies employed by our competitors;
- failure to accurately forecast or changes in customer acceptance of our products;
- limited historical demand and sales data for our products in newer markets;
- fluctuations in foreign currency; and
- weakening of general economic conditions or customer confidence that could reduce the sale of our offerings.

Inventory levels that exceed customer demand may result in inventory write-downs or write-offs or we may be required to sell our excess inventory at discounted prices, which will adversely affect our gross margins and negatively impact our reputation and brand exclusivity. On the other hand, if we face demand in excess of our production, we may not be able to adequately respond to the demand for our products. This could result in delays in delivery of our products to our customers and we may suffer damage to our reputation and customer relationships. In addition, our customers may be driven to purchase products offered by our competitors, thereby affecting our market share. There can be no assurance that we will be able to manage our inventories at optimum levels to successfully respond to customer demand.

**18. *Our inability to handle risks associated with our export sales could negatively affect our sales to customers in foreign countries, as well as our operations and assets in such countries.***

For Fiscal 2018 we have exported our products to more than 40 countries. For Fiscals 2016, 2017 and 2018, 5.35%, 5.70% and 5.14%, respectively, of our total segment revenue, as per our segment reporting under Ind AS 108, was from outside India. Our international operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with international operations in general. Our international operations are subject to, among other risks and uncertainties, the following:

- Demand for our products by our customers located outside India;
- Social, economic, political, geopolitical conditions and adverse weather conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action would affect our business and operations. For example, such a disruption may prevent us from production or delivery of our products to our customers;
- Compliance with local laws, including legal constraints on ownership and corporate structure, environmental, health, safety, labor and accounting laws, may impose onerous and expensive obligations on our foreign subsidiaries. If we are unable to comply with such laws, our business, results of operations and financial condition could be adversely affected;
- Changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies, may affect our ability to both operate and the way in which we manage our business in the countries in which we operate; and
- Fluctuations in foreign currency exchange rates against the Indian Rupee, may affect our results of operations, the value of our foreign assets, such as export receivables and investments from our Subsidiary in Italy, the relative prices at which we and our competitors sell products in the same markets and the cost of certain inventory and non-inventory items required for our operations. For instance, fluctuation of the Euro, US Dollar and GBP would have an impact on the export revenues and profits of our operations.







Any of these risks could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.


**19. *We have significant power and fuel requirements and any disruption to power sources could increase our production costs and adversely affect our results of operations.***

We require substantial power and fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. For Fiscals 2016, 2017 and 2018, our power and fuel charges were ₹818.70 million, ₹847.82 million and ₹838.56 million, constituting 1.43%, 1.40% and 1.21%, respectively, of our revenue from operations. If energy costs were to rise, or if electricity supplies or supply arrangements were disrupted, our profitability could decline.

We source most of our electricity requirements for our manufacturing facilities from state electricity boards, our five windmills located at Gujarat and our rooftop solar at our warehouse in Bhiwandi. The cost of electricity from state electricity boards could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, natural disasters or adverse conditions may occur in the geographical areas in which we operate including severe weather, tropical storms, floods, excessive rainfalls as well as other events beyond our control. See “*Risk Factors – The occurrence of natural or man-made disasters may adversely affect our business, results of operations and financial condition*” beginning on page 46 for details. If for any reason such electricity is not available, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

**20. We have applied for registration of certain trademark under the Trade Marks Act, 1999.**

We have filed applications for registration of the trademark in relation to our corporate logo , under classes 9 and 35 of the Trade Marks Act, 1999 (the "**Trademarks Act**"), which have been accepted by the Registrar of Trademarks and advertised in the journals of the Trademark Registry. We have also filed an application for registration of the trademark in relation to our horizontal logo, , under class 17, which has been accepted by the Registrar of Trademarks and is pending advertisement in the journals of the Trademark Registry. However, the certification of registration of our corporate logo is pending. We have further filed applications for registration of the trademark in relation to our corporate logo (with the tagline 'connection zindagi ka'), , under classes 7, 9, 11, 17 and 35 of the Trademarks Act, which is currently pending. Further, our application for registration of our corporate logo, , has been objected under class 7 of the Trademarks Act. Additionally, our Company had also filed an application for registration of the trademark in relation to our corporate logo, , under class 17 of the Trademarks Act, which was subsequently abandoned. Moreover, our corporate logo, , is registered under class 11 of the Trademarks Act. In addition to the above, as on the date of this Draft Red Herring Prospectus our logo, "POLYCAB", is registered in the United Kingdom and an application for registration of the "POLYCAB" logo, has been made to the Department of Industry, Nepal, which is currently pending.

We have conceived and adopted our corporate logo  and have been using it regularly and extensively. While we have accrued sufficient reputation and goodwill, there can be no assurance that our trademark will be registered in a timely manner. In addition, while we believe that we are entitled to institute an action against and obtain remedies from third parties for passing off or for counterfeit products under the Trademarks Act, the recourse available to us may be less than the legal remedies available with respect to registered trademarks. If we are unable to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us or if we are unable to remove the objections, we may be unable to avail ourselves of legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill, business, financial condition, results of operations, cash flows and prospects.

**21. We may not be successful in implementing our strategies, which could materially adversely affect our business, results of operations and prospects.**

The success of our business depends greatly on our ability to effectively manage our business and implement our strategies. For details, see "*Our Business*" beginning on page 181. We will require significant capital investments and cash outlays, which is likely to have a material impact on our results of operations. Our ability to successfully execute these expansion plans will depend on various factors, including, among others:

- the availability, terms and costs of financing required to fund construction or acquisitions or complete expansion plans;
- unexpected delays in completing constructions or acquisitions;
- return on investments;
- the participation of our joint venture partners including Traftigura;
- the grant of regulatory approvals; and
- general economic conditions in such markets.

Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve an adequate return on our investment or maintain current or prospective growth rates. Even if we can implement some or all of the initiatives of our business strategy successfully, our operating results may not improve to the extent we anticipate, or at all.

To achieve and maintain future growth, we need to, *inter alia*, effectively manage our expansion projects, accurately assess new markets, attract new customers, obtain sufficient financing for our expected capital expenditures, control our input costs, effectively expand, train and manage our employees, maintain sufficient operational and financial controls and make additional capital investments to take advantage of anticipated market conditions. We may not be able to achieve growth in revenues and profits or maintain such rate of growth in the future. Moreover, if we experience extended periods of very rapid growth, we may not be able to manage our growth effectively with available resources.



If we are unable to execute our strategies effectively, and in a timely and successful manner, our business, financial condition and profitability will be adversely affected.

**22. *We are exposed to counterparty risks in our contracts and the ability of our counterparties to perform such contracts is dependent on, among other things, economic conditions that are beyond our control.***

We have entered into a number of contractual arrangements including, but not limited to, sales contracts, distribution contracts, dealer contracts and purchase contracts with our suppliers. Our business, operation and financial performance are dependent on, among other things, whether such contracts will be performed by the relevant counterparties. We cannot assure you that these contracts will be fully performed by our counterparties, or at all. If our counterparties do not fully perform their obligations under the relevant contracts, our business, financial condition and results of operations could be adversely affected. In particular, for some of our sales contracts, distribution contracts and dealer contracts, whether the relevant estimated indicative sales figures can be achieved will depend on a number of variables, such as the economic environment, the prevailing pricing of our products and the actual order quantity our customers receive, many of which are beyond our control. If the estimated indicative sale figures cannot be achieved, our business, profitability, financial condition, results of operations and cash flows could be adversely affected.

**23. *If we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.***

Our operations have grown over the last three fiscal years. Our revenue from operations has increased at a CAGR of 10.08% from ₹57,142.41 million in Fiscal 2016 to ₹69,239.17 million in Fiscal 2018, and our EBITDA has increased at a CAGR of 23.80% from ₹5,238.78 million in Fiscal 2016 to ₹8,029.59 million in Fiscal 2018. We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for wires and cables or other electrical products, increased price competition, the lack of availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have a material adverse effect on our business, results of operations and financial condition.

We are embarking on a growth strategy that involves steps aimed at enhancing and strengthening our leadership position in the wires and cables industry, continuing expansion of our FMEG business, expanding our distribution reach and penetration into new towns through additional distributors, dealers and retailers, continuing to invest in technology to improve efficiencies, customer satisfaction and sales and strengthening our brand recognition. Our growth strategy will place significant demands on our management as well as our financial, accounting and operating systems. If we are unable to increase our production capacity, we may not be able to successfully execute our growth strategy. For example, while we expect the Ryker Plant, a manufacturing facility in Waghodia, India for the production of copper wire rods, to commence operations by the end of Fiscal 2019, there can be no assurance that such operations will commence within the timeframe expected or at all. Any delays in the construction or commencement of operations of any of our manufacturing facilities which are still under construction could adversely affect our business and prospects. In addition, we have limited years of experience in the FMEG business and we may not be able to successfully sustain our growth and expand our market share in this segment. For details, see “*Our Business – Our Strategies*” beginning on page 186.

Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot provide assurances that our future performance or growth strategy will be successful. Our failure to manage our growth effectively may have a material adverse effect on our business, results of operations and financial condition.

**24. *We 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 utilization 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 24,886,823 Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to Selling Shareholders and we will not receive any such proceeds. We propose to use the Net Proceeds for the repayment of certain outstanding indebtedness, to meet working capital requirements and for general corporate purposes. For details, see “*Objects of the Offer*” beginning on page 114. The proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions. Any variation in the utilization of the Net Proceeds shall be on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management, and may be subject to various other approvals, which includes, amongst others obtaining prior approval of the shareholders of the Company.

Various risks and uncertainties, including those set forth in this “*Risk Factors*” section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our business strategies could be delayed due to technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may not be able to attract personnel with sufficient skill or sufficiently train our personnel to manage our expansion plans. Accordingly, the use of the Net Proceeds to fund our growth and for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

**25. *Certain of our ROC form filings and challans are not traceable and the deeds with respect to certain share transfers by way of gifts to and by our Promoters, have not been entered into. Additionally, there are discrepancies in certain documentations and corporate records evidencing the name of one of our Promoters.***

Certain ROC form filings and challans submitted by us in respect of changes in our share capital in the past are not traceable. These include:

- Challans in relation to Form 5 for the following changes in the authorized share capital of Company:
  - (i) Increase in authorized share capital of our Company from ₹20 million to ₹25 million, pursuant to a resolution of our Shareholders on March 10, 1999.
  - (ii) Increase in authorized share capital of our Company from ₹25 million to ₹50 million, pursuant to a resolution of our Shareholders on November 29, 1999.
  - (iii) Increase in authorized share capital of our Company from ₹50 million to ₹500 million, pursuant to a resolution of our Shareholders on February 1, 2006.
- Form 2 and the related challan with respect to a bonus issue of 25,000,000 Equity Shares, allotted on March 9, 2006.

Despite having conducted an extensive search of our internal records and a physical search of the RoC records, we have not been able to retrieve the aforementioned documents. Accordingly, we have relied on other documents from the RoC records, including minutes of the meeting of our Board, our statutory registers of members and annual returns for such matters. We cannot assure you that the abovementioned forms will be available in the future.

Additionally, the name of our Promoter, Inder T. Jaisinghani as stated in his school leaving certificate viz. ‘*Indurdev Thakurdas Jaisinghani*’ and other government documents, such as the voter identification card viz. ‘*Indar Thakurdas Jay Singhani*’, driving license viz. ‘*Indur Jaisinghani*’ and passport viz. ‘*Indur Thakurdas Jaisinghani*’, are different as compared to his name viz. ‘*Inder T. Jaisinghani*’ stated and used in our corporate records, information available in the public domain and submitted in various RoC forms filed with the RoC by our Company. However, Inder T. Jaisinghani has filed an application dated October 19, 2018 before the Transport Department, Government of Maharashtra, applying for a driving license in the name of ‘*Inder Jaisinghani*’. The name of Inder T. Jaisinghani, as included in this Draft Red Herring Prospectus are based on the information provided in corporate records, information available in the public domain, various form filings with the RoC, the permanent account number of Inder T. Jaisinghani and certain other documents and certifications provide by him; and are further supported by way of an affidavit executed by him certifying the authenticity of the information provided.


Furthermore, our Promoters, in the past have transferred and / or received certain Equity Shares of our Company, by way of a gift from / to certain individuals. Our Company has relied upon demat statements and certifications in the form of letters, issued by each of such transferors, for all such transfers made pursuant to gifts and no gift deeds have been entered into for all such transfers. For further details, see “*Capital Structure - Build-up of our Promoters’ shareholding in our Company*” beginning on page 101.


**26. *The availability of counterfeit products, such as products passed off as our products by others, and any failure to protect or enforce our rights to own or use trademarks and brand name and identity could have an adverse effect on our business and competitive position. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.***

Third parties could imitate our brand name or pass off their own products as ours, including counterfeit or pirated products. As a result, our market share could be reduced due to replacement of demand for our products and deficiency in the quality of the counterfeit products will adversely affect our goodwill and brand reputation. We may also have to incur costs to remedy or manage such situations.


During the past three years prior to the date of this Draft Red Herring Prospectus, there have been incidents of counterfeit products in India and certain countries where we export. For instance, we have encountered multiple incidences of counterfeit goods in India, where our Company sought the assistance of the local police who then

confiscated the infringing materials and counterfeit goods. In addition, in the month of September, 2018, two first information reports were registered with two separate police stations in India by our Company, pursuant to raids conducted by the police on two godowns, subsequent to which huge quantities of counterfeit cables and wires, which were being passed off as our products, were confiscated and seized. For further details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed by our Company*”, on page 531. While such incidents of counterfeit products have not had a material adverse effect on our goodwill and results of operations, there can be no assurance that the proliferation of counterfeit and pirated products in the future, and the time and attention lost to defending such claims and complaints regarding counterfeit products would not have a material adverse effect on our goodwill and our business, prospects, financial condition, results of operations and cash flows.


As at the date of this Draft Red Herring Prospectus, our Company has 77 registered trademarks which have been registered with the registrar of trademarks under various classes of the Trademarks Act and one copyright with respect to the old logo, . For details, see “*Our Business – Intellectual Property*” beginning on page 206. The old

corporate label , registered under class 9 of the Trademarks Act, is owned and registered in the name of one of our Promoters and the Chairman and Managing Director, Inder T. Jaisinghani. The old corporate logo is currently being used by us for limited aspects of our business such as old packages and on the letterheads of certain invoices raised by us. In addition, we have entered into an assignment deed dated September 28, 2018, in terms of which, the rights, title and interests of Inder T. Jaisinghani and all the benefits in the intellectual properties in connection with the old logo, together with goodwill accrued to them, have been assigned and transferred to our Company, for a consideration amount of ₹1. Per this assignment deed, Inder T. Jaisinghani has ratified the use of the Trademark by our Company, until the effective date i.e. September 28, 2018.

Failure to renew the registration of any of our registered trademarks may affect our right to use such trademark in future. Further, if we are unable to register our trademark for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademarks are registered in favor of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. For example, our Company had applied for the registration of the logo “VOLO”, under class 11, to be used for certain of our FMEG products. During the advertisement stage, our proposed logo was objected by Volvo Trademark Holding AB (“**AB Volvo**”) who subsequently issued a cease and desist notice to us. AB Volvo claimed that our proposed logo, “VOLO”, was visually, structurally and phonetically deceptively similar to the trademark “VOLVO” which was owned and registered in the name of AB Volvo. We eventually decided to abandon the “VOLO” trademark.

We have entered into a royalty agreement dated September 28, 2018, with effect from April 1, 2018 (“**First Royalty Agreement**”) with a manufacturer, namely, Lite Technology Co. Private Limited, which is engaged in the business of LED lighting, under which we have granted to the manufacturer a non-exclusive, non-proprietary, non-transferable, revocable license to use our new corporate logo, , registered by our Company under class 11 of the Trademarks Act by way of embossing or printing thereon on the goods manufactured, traded or dealt by such manufacturer.

Likewise, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani and our Company have entered into another royalty agreement dated September 28, 2018, with effect from April 1, 2018 (“**Second Royalty Agreement**”), together with the First Royalty Agreement, “**Royalty Agreements**”) with a manufacturer, Thermoflex Cable Industries, which is engaged in the business of instrumentation of cables for usage of old and new corporate logo, by way of embossing or printing thereon on the goods manufactured/traded/dealt by such manufacturer. Under the Second Royalty Agreement, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani has granted a non-exclusive, non-proprietary, non-transferable, revocable license to the manufacturer to use the old logo, , which is owned and registered by Inder T. Jaisinghani and assigned to our Company by way of an assignment deed dated September 28, 2018. Concurrently, under the Second Royalty Agreement, we have granted a non-exclusive,

non-proprietary, non-transferable, revocable license to the manufacturer to use our new corporate logo, , which we have applied for registration under class 9 of the Trademarks Act and has been accepted and advertised in the journals of the trademark registry.

Pursuant to the First Royalty Agreement and the Second Royalty Agreement, the relevant manufacturers shall not use the respective trademarks on goods manufactured, traded and/or dealt by them for aggregate invoice value of more than ₹ 200.00 million and ₹100.00 million, respectively, in a financial year and shall be liable to pay a license fee amounting to 1% and 2.5%, respectively, of the value of the invoice issued by the relevant manufacturers. However, there can be no assurance that the relevant manufacturer will not breach the terms of the agreements and infringe on our intellectual property rights, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, if we do not maintain our brand name and identity, which we believe is one of the principal factors that differentiates us from our competitors, or if we fail to provide quality products on a timely basis, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks including general litigation risks. Third-parties may infringe or copy our registered brand name in India and abroad. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation.

While we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights. If claims or actions are asserted against us from third parties asserting infringement and other related claims in India and abroad, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Further, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

In certain cases, our customers share their intellectual property rights during the product development process that we carry out for them. If our customer's intellectual property rights are misappropriated by our employees in violation of any applicable confidentiality agreements, our customers may seek damages and compensation from us. This could have a material adverse effect on our business, financial condition, results of operations and cash flows and damage our reputation and relationships with our customers.

**27. *We are exposed to risks arising from credit terms extended to our customers comprising our distributors, dealers and direct customers.***

Due to the nature of, and the inherent risks in, the agreements and arrangements with our distributors, dealers and direct customers, we are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.

There is no assurance that we will accurately assess the creditworthiness of our direct customers, distributors and dealers. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, distributors and dealers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause them to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers, distributors and dealers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from them. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our balances and our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

**28. *Our auditors report on financial statements identify certain matters including matters required under the Companies (Auditors Report), Order 2003, as amended by the Companies (Auditors Report), Order 2004, Companies (Auditors Report), Order 2015 or, as the case may be, Companies (Auditors Report), Order 2016.***

Our auditors report on unconsolidated financial statements for Fiscal 2014 identifies certain matters as required under the Companies (Auditors Report), Order 2003, as amended by the Companies (Auditors Report), Order 2004, in terms of Section 4A of Section 227 of the Companies Act, 1956. For Fiscal 2015, our auditors report on unconsolidated and consolidated financial statements identify certain matters as required under the Companies (Auditors Report), Order 2015, in terms of Sub Section 11 of Section 143 of the Companies Act, 2013. For Fiscal 2016 and onwards our auditors report on unconsolidated financial statements identify certain matters as required under the Companies (Auditors Report), Order 2016, in terms of Sub Section 11 of Section 143 of the Companies Act, 2013. For example, the auditors reports identify matters such as undisputed amounts due outstanding for more than six months, certain disputed dues of tax not deposited, delays in deposit of statutory dues and lack of proper record maintenance, amongst other matters, and the Company has taken steps to address each of these findings. There can be no assurance that our audit reports for any future fiscal periods will not contain such matters or that such matters will not otherwise affect our results of operations in such future periods.

For more information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Auditor’s Reservations, Qualifications and Adverse Remarks and Comments – Companies (Auditors Report) Findings*” on page 512, and the examination reports issued by our Statutory Auditors on our Restated Consolidated Financial Information and our Restated Unconsolidated Financial Information on pages 257 and 381, respectively.

**29. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

The auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscal 2017 contains a qualified opinion, and that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscal 2016 contains a disclaimer of opinion. Notwithstanding the qualification and the disclaimer of the opinions relating to the effectiveness of our internal financial controls over financial reporting, our Statutory Auditors expressed a true and fair view opinion on our financial statements for Fiscal 2017 and Fiscal 2016. For details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Auditor's Reservations, Qualifications and Adverse Remarks and Comments*" on page 511.

Notwithstanding that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscal 2018 did not contain a qualified opinion or disclaimer of opinion, there can be no assurance that deficiencies in our internal controls will not arise in the future, 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. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, each of which may have an adverse effect on our business, financial condition, results of operations and cash flows.

**30. *Failure or disruption of our information technology ("IT") systems may adversely affect our business, financial condition, results of operations and prospects.***

We have implemented various IT solutions to cover key areas of our operations including sourcing, planning, manufacturing, supply chain, accounting, distribution network and data security. However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of, and unauthorized access to, sensitive Company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT systems may lead to inefficiency or disruption of our IT systems, thereby adversely affecting our ability to operate efficiently.

Any failure in overhauling or updating our IT systems in a timely manner will cause our operations to be vulnerable and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors and debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise materially adversely affect our business, financial condition, results of operations and prospects.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Failure to perform any of these functions by our external vendors or service providers could materially and adversely affect our business, results of operations and cash flows.

**31. *We are entitled to certain tax benefits. These tax benefits are available for a definite period of time, which, on expiry or if withdrawn prematurely, may adversely affect our business, financial condition, results of operations and prospects.***

We are entitled to certain tax benefits in respect of our windmill used for generation of power for captive consumption and additional depreciation benefits. For details, see "*Statement of Tax Benefits*" beginning on page 126.

Our profitability will be affected to the extent that such benefits will not be available beyond the periods currently contemplated. Our profitability may be further affected in the future if any of such benefits are reduced or withdrawn

prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the requisite conditions to avail ourselves of each of these benefits. If any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, financial condition, results of operations and prospects may be materially adversely affected.

**32. *Our financing agreements contain covenants that limit our flexibility in operating our business. If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders, our lenders may accelerate the repayment schedules, and enforce their respective security interests, leading to a material adverse effect on our business and financial condition.***

Certain of our financing arrangements impose restrictions on the utilization of the loan for certain specified purposes only, such as for the purposes of meeting expenses for development and related activities. We are required to obtain prior written consent from some of our lenders for, among other matters, investment by way of share capital in or lend or advance funds to or place deposits with any other concern, changing our capital structure or composition of our management or Board of Directors, undertaking merger or amalgamation, changing our constitution, issuance of further Equity Shares, making certain payments (including payment of dividends, redemption of shares and prepayment of indebtedness, payment of interest on unsecured loans), undertaking any new project or implementing any scheme of expansion or diversification, entering into borrowing arrangements with any other bank, financial institution or company, creating any charges, lien or encumbrances over our assets or undertaking or any part thereof in favor of any third party, selling, assigning, mortgaging or disposing off any fixed assets charged to a lender, making amendments to the memorandum of association and articles of association. Further, under certain of our facility agreements, events of default include, among others, the shareholding of our Promoters in our Company falling below 51%. For details on the types and amounts of our outstanding indebtedness, see “*Financial Indebtedness*” and “*Management’s Discussion and Analysis on Financial Conditions and Results of Operations – Indebtedness*” beginning on pages 527 and 522, respectively.

If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders or if any events of default occur, our lenders may accelerate the repayment schedules or terminate our credit facilities. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. Further, these covenant defaults can result in cross-defaults in our other debt financing agreements, and there can be no assurance that potential defaults will not result in future cross-defaults. If any of our lenders accelerate or recall the repayment of our borrowings, both secured and unsecured loans, there can be no assurance that we will have sufficient assets to repay amounts outstanding under our loan agreements or continue our business. As at the date of this Draft Red Herring Prospectus, none of our lenders has issued any notice of default or required us to repay any part of our borrowings. However, during the years 2007 to 2008, there was a dispute with one of our lenders relating to derivatives transaction which was considered as a default on derivative transaction and working capital facility by the lender. The dispute was mutually settled and the relevant lender has confirmed that the account is currently standard.

If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

**33. *Our failure to identify and understand evolving industry trends and preferences and to develop new products to meet our customers’ demands may materially adversely affect our business.***

Changes in consumer preferences, regulatory or industry requirements or in competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge that will allow us to develop our product portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly. Further, the development of new or improved products or technologies by our competitors may render our products obsolete or less competitive.

To keep abreast of the most updated technology and respond effectively to changing customer preferences and requirements, we must be able to develop and produce new products to meet our customers' demand in a timely manner. While we continuously seek to launch new products, there can be no assurance, that these new products will be successful with our customers or that we will be able to install and commission the equipment needed to produce products for our customers in time for the start of production. As a result, we may incur and have in the past incurred capital expenditures to develop products to meet customer demands and those demands may be delayed at the customers end due to delays in product launches. Our failure to successfully develop and produce new products could materially adversely affect our results of operations.

The development of alternative technologies or a fundamental shift in technologies in key markets for our electric equipment could have a material adverse effect on our business. The increased acceptance and use of alternative technologies may exert a downward pressure on our sales and consequently have a material adverse effect on our future results of operations and financial condition.

**34. *We are subject to environmental and safety regulations that may adversely affect our business and we have been subject to environmental notices in respect of certain of our manufacturing facilities and may be subject to further notices in the future.***

We are required to comply with Indian central, state and local laws as well as occupational health and safety laws (including laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of waste materials into soil, air or water, and the health and safety of employees). We are also required to obtain and comply with environmental permits for certain of our operations. For regulations and policies applicable to our Company, see "*Regulations and Policies*" on page 209. There can be no assurance that we will be in compliance at all times with such laws, regulations and the terms and conditions of any such consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators.

In August 2016, we received a notice from the Gujarat Pollution Control Board in relation to the waste water management of one of our manufacturing facilities in Halol. We have since undertaken the necessary corrective measures to address the issues highlighted by the Gujarat Pollution Control Board.

There can be no assurance that other environmental and safety allegations will not be made against us in the future. The regulator may order closure of our unit where it is found to be non-compliant with the applicable norm. In some instances, such a fine or sanction could adversely affect our business, reputation, financial condition or results of operations. In addition, these requirements may become more stringent over time and there can be no assurance that we will not incur significant environmental costs or liabilities in the future. We are also subject to laws requiring the clean-up of contaminated property. Under such laws, we could be held liable for costs and damages relating to contamination at our facilities and at third party sites to which these facilities send waste material, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

**35. *Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Our operations are subject to various risks and hazards inherent in the wires and cables industry, including breakdowns, failure or substandard performance of equipment, third party liability claims, labor disturbances, employee fraud and infrastructure failure, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other force majeure events. We maintain appropriate insurance coverage which commensurate with industry standards in India, in relation to property, stock and money for our warehouses, transit insurance and product liability insurance. There are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. For details, see "*Our Business – Insurance*" beginning on page 207.

However, our policies are subject to standard limitations that apply to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, insurance policies. We cannot assure you that the operation of our business will not be affected by any of the risks and hazards listed above. In addition, our insurance may not provide adequate coverage in certain circumstances including losses arising due to third-party claims that are either not covered by insurance or the values of which exceed insurance limits, economic or consequential damages that are outside the scope of insurance coverage and claims that are excluded from coverage. If our arrangements for insurance are not adequate to cover claims, we may be required to make substantial payments and our results of operations, financial condition and cash flows may therefore be adversely affected.

We may not have identified every risk, and further may not be insured against every risk, including operational risks that may occur, and the occurrence of an event that causes losses more than the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate. Any of the above could materially harm our financial condition and future results of operations. There can be no assurance that any claims filed will be honored fully or in a timely fashion under our insurance policies. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

**36. *Certain of our manufacturing properties are located on leasehold lands. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be a material adverse effect on our business, financial condition and operations.***

Some of our manufacturing facilities situated at Nashik (“**Nashik Land**”), Padana in Gandhidham (“**Padana Land**”) and Kachigam in Daman (“**Daman Land**”) have been established and developed on land parcels held by us on leasehold basis with certain governmental authorities and third party individuals. The lease term for the Nashik Land is 95 years, with effect from March 10, 2015, and the lease term for Padana Land is nine years, with effect from August 19, 2015. In addition, the terms of certain of our leases require us to obtain the lessor’s prior consent for certain actions (including making significant structural alterations to the leased premises, which may be required if we were to undertake a significant expansion in the future or to sublet, transfer, assign, charge or mortgage such properties). For details on our manufacturing facilities, see “*Our Business - Manufacturing Facilities*” on page 199.

In addition, the lease agreement entered into between our Company and the administration of Daman and Diu for the lease of the Daman Land expired in the year 2012, notwithstanding that we have continued to carry out our manufacturing operations on the Daman Land since 2012. Subsequently, at the request of the collector of Daman and Diu, we paid an amount of ₹ 8.01 million as lease rent for the period from June 14, 2012 to January 30, 2015, and further requested the administration of Daman and Diu to grant lease to us. We also filed applications dated January 11, 2013, January 16, 2018 and May 9, 2018, to the Collector of Daman, Administration of Daman and Diu, requesting the authorities to grant us a lease of 30 years. As at the date of this Draft Red Herring Prospectus, the application for grant and renewal is pending.

If we are unable to renew certain or all of the aforementioned leases on commercially reasonable terms or at all, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future and may, to that extent, need to revise our raw material sourcing, product manufacturing and raw material and product inventory schedules and/or incur significant costs to relocate or expand our operations elsewhere in order to continue to honor our commitments to our customers.

Also, see “– *Our auditors report on financial statements identify certain matters as required under the Companies (Auditors Report), Order 2003, as amended by the Companies (Auditors Report), Order 2004 or, as the case may be, Companies (Auditors Report), Order 2015.*” on page 34 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Auditor’s Reservations, Qualifications and Adverse Remarks and Comments – Companies (Auditors Report) Findings*” on page 511.

**37. *We conduct some of our operations through joint ventures and our control over the joint ventures are limited by the interests of our joint venture partners***

We have entered into joint ventures and agreements with third parties to gain access to new technologies, advanced manufacturing know-how, raw materials, new customers and enable better back end integration. In 2016, we entered into a 50:50 strategic joint venture with Trafigura Pte Ltd (“**Trafigura**”), a commodity trading company, to set up the Ryker Plant. In 2017, we entered into a 50:50 strategic joint venture with Techno Electromech Private Limited, a manufacturer based in Vadodara, Gujarat, to manufacture LED lighting and luminaires. For details, see “*History and Certain Corporate Matters*” and “*Our Business – Overview*” on pages 212 and 181, respectively.

Pursuant to the terms of our agreements with our joint venture partners, certain business actions with respect to the joint venture companies are categorized as affirmative voting matters of the relevant company. These actions include, among others, amending the constitutional documents, alteration of share capital and any acquisition, merger or sale and incurring any indebtedness. Due to these restrictions, we may be constrained in our ability to expand our joint venture operations, raise capital for our joint venture operations, or to flexibly respond to any changing business environment. Any of the foregoing may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Further, it is possible that our interests and those of our joint-venture partners will not always be aligned, resulting in, among other things, possible project delays, additional costs or disagreements.

We may also suffer unexpected costs or other losses if a joint-venture partner becomes insolvent, unable to pay its debts as they fall due, does not meet the obligations under the agreements governing our relationship with them, or if such violations lead to fines, penalties, restrictions, withdrawal of licenses and termination of the agreements under



which we operate. We may also be subject to claims by our joint-venture partners regarding potential non-compliance with our obligations, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

**38. *We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.***

The following table sets forth certain information relating to our contingent liabilities to the extent not provided for as of June 30, 2018, as per Ind AS 37:

Particulars	Amount (₹ in million)
<b>a) Guarantees</b>	
(i) Guarantees given by the Group's bankers to the Group	5,605.80
<b>b) Other matters for which the Group is contingently liable</b>	
<b>(i) Taxation matters</b>	
(a) Disputed liability in respect of sales tax/VAT demand and pending sales tax/VAT forms	352.50
(b) Disputed liability in respect of excise duty demand	45.60
(c) Disputed liability in respect of custom duty demand	15.50
<b>Total</b>	<b>6,019.40</b>

If a significant portion of our contingent liabilities materialize, it could have an adverse effect on our results of operations, financial condition and cash flows. For details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities" and "Financial Statement" beginning on page 523 and 256, respectively.

**39. *Financial information in relation to certain of our Subsidiaries used for preparation of our restated consolidated financial information, as included in this Draft Red Herring Prospectus, has not been audited.***

Financial information in relation to the following Subsidiaries of our Company used for the preparation of our restated consolidated financial information for the fiscal years ended March 31, 2017, 2016, 2015 and 2014, as included in this Draft Red Herring Prospectus, is unaudited and certified by the management of the relevant Subsidiary, as the scale of operations of these entities are not material compared to the overall size of the group. For the Fiscal Years 2017 and 2016, these Subsidiaries include:

Subsidiary	Fiscal Year(s) unaudited
Polycab Wires Italy SRL	Fiscals 2016 and 2017
Jaisingh Wires FZE UAE	Fiscal 2016

Together, these Subsidiaries reflect total assets of ₹52.60 million and ₹53.70 million for Fiscal 2016 and Fiscal 2017, respectively. Further, these Subsidiaries reflect a total revenue of ₹35.40 million for Fiscal 2017 and did not account for any revenue in Fiscal 2016.

We may face risks associated with such financial information not being verified by an independent third party. If such financial information had been audited, adjustments and modifications may have arisen during the course of audit process, which could have resulted in differences compared to that unaudited financial information which were furnished and relied on for preparation of our restated consolidated financial information, notwithstanding that management does not foresee any material adjustments required even if these Subsidiaries were audited.

**40. *Certain of our subsidiaries and joint ventures have experienced losses in prior periods and any losses in the future could have a material adverse effect on our business, financial condition, results of operations and cash flows***

Certain of our subsidiaries and our joint venture with Trafigura, Ryker Base Private Limited ("Ryker") have experienced losses in the past. The following table sets for the the details of the (loss) after tax for the specified periods, as per the audited financials of these subsidiaries and joint venture:

	Three month period ended June 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
	(₹ in millions)			
<b>Subsidiaries</b>				

	Three month period ended June 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
(₹ in millions)				
Dowells Cable Accessories Private Limited	-	-	-	(1.27)
Tirupati Reels Private Limited	-	-	(1.17)	(0.64)
Polycab Wires Italy SRL	-	-	-	(7.64)
<b>Joint Venture</b>				
Ryker	(65.49)	(6.93)	(6.54)	-

These subsidiaries and joint venture may continue to experience losses in the future which may have a material adverse effect on our business, financial condition, results of operations and cash flows.

**41. We have had negative cash flows in prior periods and may continue to have negative cash flows in the future.**

We experienced the cash flows, both positive and negative, set forth in the table below for the specified periods:

	Three month period ended June 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
(₹ in millions)				
Net cash flow from operating activities	2,200.89	3,631.90	2,964.03	2,208.26
Net cash flow from/(used in) investing activities	(765.46)	(1,881.20)	(2,897.65)	(2,543.06)
Net cash flow from/(used in) financing activities	(1,395.43)	(1,902.78)	(98.41)	454.90
Net increase/(decrease) in cash and cash equivalents	40.00	(152.08)	(32.03)	120.10

*Note:*

*Our cash flow for any interim period within a fiscal year, such as for the three month period ended June 30, 2018, is not necessarily indicative of or comparable with our cash flow for any full fiscal year.*

For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 504. There can be no assurance that our net cash flows will be positive in the future.

**42. One of our shareholders has the right to nominate a director on the Board post completion of the Offer.**

Under the Amendment cum Termination Agreement, all special rights available to IFC under the SHA and Option Agreement will automatically terminate upon listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, (without requiring any further action by any party) except for, *inter alia*, the right of IFC to nominate one Director on our Board, till the time IFC continues to hold at least 5% of the issued and fully paid-up equity share capital of our Company (on a fully diluted basis) (“**Right to Nominate**”). The Right to Nominate shall be exercisable by IFC after obtaining the approval of the Shareholders through a special resolution in a general meeting of our Company held after the listing of the Equity Shares on the Stock Exchanges. For further details, see “– *Investors may have difficulty enforcing foreign judgments in India against us or our management and enforcing actions against IFC.*” on page 48 and “*History and Certain Corporate Matters - Key shareholders’ agreement and other agreements Agreements – Shareholders*” on pages 218.

**43. Our Promoters and Promoter Group will continue to retain a majority shareholding in us after the Offer, which will allow them to exercise significant influence over us.**

After the completion of the Offer, our Promoters and Promoter Group will hold the majority of our outstanding Equity Shares. Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders’ approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters’ shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company’s controlling shareholder, could conflict with our Company’s interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company’s or your favor.

**44. Our Promoters may enter into ventures that may lead to real or potential conflicts of interest with our business.**

Our Promoters may become involved in ventures that may potentially compete with our Company. The interests of our Promoters may conflict with the interests of our other Shareholders and our Promoters may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit himself instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.

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

We have declared and paid dividend in the previous financial years. For details, see “Dividend Policy” beginning on page 255. However, the amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders.

**46. *We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.***

Market data and certain information and statistics relating to us and general market/industry data are derived from both public and private sources, including market research, publicly available information and industry publications. We have relied on various government publications and industry sources in the preparation of this Draft Red Herring Prospectus, specifically the report titled, “Assessment of electrical products industry in India – October 2018” produced by CRISIL (“Industry Report”). We have commissioned CRISIL to prepare a market assessment of the electrical products industry in India for reference in this Draft Red Herring Prospectus. The commissioned report may be subject to assumptions. Neither we nor our directors or our Promoters are in any way related to the parties that have prepared the relevant industry data on which we relied on. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us and the Lead Managers and therefore, we make no representation as to the accuracy, adequacy or completeness of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, there can be no assurance that the facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. CRISIL has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Industry Report. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

**47. *Future production and capacity utilization may vary.***

Information relating to our installed capacities and capacity utilization of our manufacturing facilities is based on various assumptions and estimates of our management including proposed operations, assumptions relating to availability and quality of raw materials, potential utilization levels and operational efficiencies. While we have obtained certificates from independent chartered engineers, namely, Ashok Kashinath Dongre, Anand Kumar Jain, Palande Vinod A and Rajesh T. Panjwani, in relation to such capacities, future capacity utilization may vary significantly from the estimated production capacities of our production facilities, installed capacities and historical capacity utilization. Undue reliance should therefore not be placed on the information relating to our installed capacities or historical capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus. For further information, see “Our Business” on page 181.

**48. *We may undertake strategic acquisitions or investments or strategic relocations, which may prove to be difficult to integrate and manage or may not be successful. These may expose us to uncertainties and risks, any of which could materially adversely affect our business, financial conditions, results of operations and cash flows.***

We may pursue and undertake acquisitions, mergers and strategic investments or relocations as a mode of expanding our operations. There can be no assurance that we will be able to raise sufficient funds to finance such strategies for growth. Further expansion and acquisitions may require us to incur or assume new debt, expose us to future funding

obligations or integration risks. We cannot provide assurances that such expansion or acquisitions will contribute to our profitability.

There is no assurance that we will be able to successfully integrate any companies or assets we acquire, or that we will realize the strategic and/or operational benefits that we anticipate. Moreover, we may expend significant management attention trying to do so but may not see results. In addition, there can be no assurance that we will be able to complete our expansions, acquisitions, mergers or alliances in the future on terms acceptable to us, or at all.

- 49. *We appoint contract labor for carrying out certain of our ancillary operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our business, results of operations and financial condition.***

To retain flexibility and control costs, our Company appoints independent contractors who in turn engage on-site contract labor for performance of certain of our ancillary operations in India. Although our Company does not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

- 50. *We are exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Given the high volume of transactions we process on a daily basis, notwithstanding the internal controls that we have in place, we are exposed to the risk of fraud or other misconduct by employees, contractors, customers, distributors or dealers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

- 51. *Other interests of our Promoters in our Company, other than normal remuneration or benefits or reimbursement of expenses incurred.***

Our Company has entered into a rent agreement with our Promoter and Chairman and Managing Director, Inder T. Jaisinghani for the purpose of renting out a godown, situated at Coimbatore. The aforesaid property is owned by Inder T. Jaisinghani and has been rented out to our Company to carry on its business activities. Under the rent agreement, Inder T. Jaisinghani is entitled to a yearly rental income accruing to ₹0.10 million. While the term of the rent agreement is five years (i.e. up to April 26, 2021), there can be no assurance that we will be able to renew the rent agreement in a timely manner, at commercially acceptable terms or at all. In addition, under the rent agreement, either party can terminate the agreement by giving a notice period of one month to the other party. Moreover, our Company has entered into a rent agreement with A.K. Enterprises (“**AK Rent Agreement**”), a partnership firm, where our Promoters, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani and Kunal Jaisinghani, who is an individual forming a part of our promoter group, are partners, in terms of which A.K. Enterprises has rented out a godown owned by it, to our Company for a period of two years, up to September 30, 2019. In terms of the AK Rent Agreement, our Company is required to pay a monthly rent of ₹ 2.06 million to A.K. Enterprises. In the event that the rent agreements are terminated, and we are unable to renew the agreements at terms acceptable to us or at all, we may be compelled to search for a new location, which may have material adverse impact on our business, financial condition and results of operations. See “*Our Promoters and Promoter Group – Interests of Promoters*” and “*Related Party Transactions*” on pages 243 and 254, respectively.

## **EXTERNAL RISK FACTORS**

- 52. *Our performance is subject to seasonality.***

The wires and cables and FMEG industry is subject to seasonality. Generally, our sales tend to be relatively higher in the second half of the fiscal year than in the first half due to a variety of factors including, but not limited to, some customers not having finalized their annual business plans or budgets at the start of the year, and other customers pushing to achieve their annual targets towards the end of the year.

In terms of expenses, certain of our expense items tend to be higher during the first half of the year, particularly our advertising and sales promotions as we often advertise at sporting events that take place near the start of the year.

As our sales tend to be relatively lower and expenses can be relatively higher in the first half of the fiscal year, our total income, total expenses, profit and profit margin can experience seasonal fluctuations. Accordingly, our results for any particular period within a fiscal year may not necessarily be indicative of our results for a full fiscal year. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Seasonality*” on page 525.

In addition, the wires and cables and FMEG industry is sensitive to other factors beyond our control such as technological changes, cyclical and unforeseen events, including political instability, recession, inflation, further volatility in crude oil prices and other adverse occurrences. Any such event that results in decreased demand in the wires and cables and FMEG industry could have an adverse effect on our business, results of operations and financial condition.

**53. *Our performance is dependent in part on the industries of our customers and demand for their end products.***

Our business is dependent to a significant extent on the performance and growth of the sectors where we are present, particularly the power sector. In the event of a downturn in the power sector or any of the other key sectors in which we are present, demand for their products may decline and to that extent, our business, financial condition and results of operations could be adversely affected.

**54. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Our restated consolidated summary statements of assets and liabilities as at June 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016, and restated consolidated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the three months period ended June 30, 2018 and fiscals 2018, 2017 and 2016 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the IndAS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note. Our restated consolidated summary statements of assets and liabilities at March 31, 2015 and March 31, 2014 and the restated consolidated summary statements of profit and loss and cash flows for the fiscals 2015 and 2014 have been prepared in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

**55. *Differences exist between our Restated Financial Statements in respect of the three months period ended June 30, 2018, Fiscals 2018, 2016 and 2017 and based on IND AS accounting principles and the Restated Financial Statements for Fiscals 2014 and 2015, which are based on Indian GAAP accounting principles and as such, are not strictly comparable.***

The financial information in this document for Fiscals 2014 and 2015 have been prepared in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, SEBI Circular and the Prospectus Guidance Note, and the financial information in this document for the three months period ended June 30, 2018, Fiscals 2018, 2017 and 2016 and have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the IndAS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note. As such, our financial information that was prepared and presented in conformity with the respective accounting principles are not strictly comparable. Ind AS differs in certain respects from Indian GAAP and no attempt has been made to reconcile any of the information given in this document to or to base it on Indian GAAP, with which prospective investors may be familiar. Prospective investors should review the accounting policies applied in the preparation of our Restated Financial Statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

**56. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect 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 Central Government notified and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations (“Combination Regulations”) under the Competition Act with effect from June 1, 2011. The Combination Regulations 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, 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 impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices 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.

For instance, in the past, the Chief Materials Manager-I, North Western Railway, Jaipur (“NWR”) had filed a suit against our Company (including others), before the CCI in relation to *inter alia* alleged violations of the provisions of the Competition Act, alleged cartel formation by our Company (with others), high quotations to the NWR for supply of the railway signaling cables and allegations of bid-rigging. Whilst upon scrutiny and investigations carried out by the authorities, no violation could be conclusively established and the matter was since then closed, we cannot assure that such suits may not be filed in the future, which might have a financial impact on our Company.

**57. *Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

In India, our business is governed by various laws and regulations including, amongst others, the Bureau of Indian Standards Act, 2016, The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003, The Indian Boilers Act, 1923, The Legal Metrology Act, 2009, the Indian Stamp Act, 1899, the Maharashtra Stamp Act, 1958, the Indian Registration Act, 1908, the Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, The Noise Pollution (Regulation & Control) Rules, 2000, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, various laws relating to employment and the Consumer Protection Act, 1986. For details, see “*Regulations and Policies*” on page 209.

Our business could be adversely affected by any change in laws, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us.

Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

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

Further, the General Anti-Avoidance Rules (“GAAR”) became effective from April 1, 2017. While the intent of this legislation is to prevent business arrangements that are set up with the intent to avoid tax avoidance under the Income Tax Act 1961, certain exemptions have been notified, viz., (i) arrangements where the tax benefit to all parties under an arrangement is less than ₹30.00 million, (ii) where Foreign Institutional Investors (“FIIs”) have not taken benefit of a double tax avoidance tax treaty under Section 90 or 90A of the Income Tax Act 1961 and have invested in listed or unlisted securities with SEBI approval and (iii) where a non-resident has made an investment, either direct or indirect, by way of an offshore derivative instrument in an FII. Further, investments made up to March 31, 2017 shall not be subject to GAAR provided that GAAR may apply to any business arrangement pursuant to which tax benefit is obtained on or after April 1, 2017, irrespective of the date on which such arrangement was entered into.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, prospects and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect our business, financial condition, results of operations, cash flows and prospects.

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

We are incorporated in and substantially all our 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 corporates;
- 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 neighboring 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 construction sector.

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

**59. *Terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries in which we have operations may adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares trade and also adversely affect markets in which we have operations, as well as the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighboring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares.

Some states in India have also witnessed civil unrest including communal disturbances in recent years and it is possible that future civil unrest, as well as other adverse social, economic and political events in India may have a negative impact on us. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on our business and the price of our Equity Shares.

**60. *The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.***

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the result of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

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

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

**62. *Changes in trade policies may adversely affect our profitability.***

Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import their raw materials, components and/or countries to which we export our products, may have a material adverse effect on our profitability.

**63. *If the rate of Indian price inflation increases, our business and results of operations may be adversely affected.***

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. An increase in inflation in India could cause a rise in the price of raw materials and wages, or any other expenses that we incur. If this trend continues, we may be unable to accurately estimate or control our costs of production or pass on increase in costs to our customers and this could have a material adverse effect on our business and results of operations.

**64. *Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in the emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have a material adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including continued volatility in global financial markets due to the economic slowdown in China and the increase in the federal interest rates by the United States Federal Reserve, could also have a negative impact on the Indian financial markets and economy.

**65. *After this Offer, our Equity Shares may experience price and volume fluctuations or an active trading market for our Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after this Offer as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the automotive components sector and changing perceptions in the market about investments automobile and automotive components sectors in general and us in particular, adverse media reports on us or the automotive sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in economic liberalization and deregulation policies and significant developments in fiscal regulations.

There has been no public market for the Equity Shares of our Company prior to this Offer and an active trading market for the Equity Shares may not develop or be sustained after this Offer. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to this Offer.



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

Any future equity issuances by us, including a primary offering or pursuant to the ESOP Plan 2018, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters including to comply with the minimum public shareholding requirements applicable to our Company or other major shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt-financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares.

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

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

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

**68. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**69. *Investors may not be able to enforce judgments obtained in foreign courts against us.***

We are a public limited company under the laws of India. Many of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "Civil Code"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

70. ***Investors can be subject to Indian taxes arising out of capital gains on the sale of equity shares. Recently, the Finance Act, 2018 levied taxes on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisition of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any equity shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction again upon the sale of the equity shares.

71. ***Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.***

Under the exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) 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 approval of the RBI will be required for such transaction to be valid. We have, in the past, delayed the filing of Form FC-GPRs within the stipulated time with RBI on account of delay on the part of the authorized dealer (bank) to make onward submission of the Form FC-GPRs to RBI. RBI through its letter dated May 12, 2016 took on record the allotments dated July 2, 2009, January 21, 2010 and October 9, 2014 of 16,161,993 equity shares and 17,000,000 compulsory convertible debentures by our Company to the Investor Selling Shareholder and granted registration number for the said allotments. The acknowledgement letter however noted that the Form FC-GPRs was not filed within the stipulated period which is a contravention of 9(1)(B) of FEMA 20/2000-RB dated May 3, 2000 and further stated that any such failure by us in the future will be viewed seriously by the RBI and the RBI will take appropriate action under FEMA.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

72. ***Investors may have difficulty enforcing foreign judgments in India against us or our management and enforcing actions against IFC.***

We are constituted in India. Our Chairman and Managing Director, other Directors and the Chief Executive named herein are residents of India and substantially all of our assets and the assets of such persons are located in India. As a result, it may not be possible for investors outside of India to effect service of process on us or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon our civil liabilities or such Directors and the Chairman and Managing Director and Chief Executive under laws other than Indian Law.

Under the provisions of the International Finance Corporation (Status, Immunities and Privileges) Act, 1958 and the United Nations (Privileges and Immunities) Act, 1947, IFC, one of our Selling Shareholders, has certain immunities, including from legal process, search, requisition, confiscation, expropriation or any other seizure or attachment in respect of its properties and assets, in India. Additionally, all officers and employees of IFC are immune from legal process with respect to acts performed by them in their official capacity. There can be no assurance that you will be able to institute or enforce any action against IFC in India. Similar limitations may exist in other jurisdictions including the US.

73. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

## Prominent Notes

- Except as disclosed below, our Company has not changed its name in the last three years:
- Our Company was incorporated as ‘Polycab Wires Private Limited’ on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word ‘private’ was struck off from the name of our Company with effect from June 30, 2000. Thereafter, our Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word ‘private’ was added in the name of our Company with effect from June 15, 2001. Subsequently, our Company was converted into a public limited company, the word ‘private’ was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana (“RoC”), recording the change of our Company’s name to ‘Polycab Wires Limited’. Thereafter, the name of our Company was changed from ‘Polycab Wires Limited’ to ‘Polycab India Limited’, and a fresh certificate of incorporation dated October 13, 2018 was issued by the Registrar of Companies, New Delhi. However, there has not been any corresponding change in the business activities of our Company.
- Initial public offering of up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising of [●] Equity Shares aggregating up to ₹5,000 million through Fresh Issue by our Company and an Offer for Sale of up to 24,886,823 equity shares by the Selling Shareholders aggregating up to ₹[●] million. The Offer includes a reservation of up to [●] Equity Shares for subscription by the Eligible Employees under the Employee Reservation Portion for cash at a price of ₹[●] per Equity Share, aggregating up to ₹[●] million. The Offer will constitute up to [●]% of the post-Offer paid-up Share capital of our Company and the Net Offer shall constitute [●]% of our post-Offer paid-up Share capital.
- Our net worth as of June 30, 2018, as per our Restated Ind AS Consolidated Summary Statement of Assets and Liabilities and Restated Unconsolidated Summary Statement of Assets and Liabilities included in this Draft Red Herring Prospectus is ₹24,241.62 million and ₹24,278.66 million, respectively and our net worth as of March 31, 2018, as per our Restated Ind AS Consolidated Summary Statement of Assets and Liabilities and Restated Unconsolidated Summary Statement of Assets and Liabilities included in this Draft Red Herring Prospectus is ₹23,491.79 million and ₹23,493.94 million, respectively. See “*Financial Statements*” beginning on page 256.
- The net asset value per Equity Share as of June 30, 2018, as per our Restated Ind AS Consolidated Summary Statement of Assets and Liabilities and Restated Unconsolidated Summary Statement of Assets and Liabilities included in this Draft Red Herring Prospectus is ₹171.68 per Equity Share and ₹171.94 per Equity Share, respectively and the net asset value per Equity Share as of March 31, 2018, as per our Restated Ind AS Consolidated Summary Statement of Assets and Liabilities and Restated Unconsolidated Summary Statement of Assets and Liabilities included in this Draft Red Herring Prospectus is ₹166.37 per Equity Share and ₹166.38 per Equity Share, respectively. See “*Financial Statements*” beginning on page 256.
- The following table sets forth the details of the average cost of acquisition per Equity Share by our Promoters as of the date of this Draft Red Herring Prospectus:

Name of Promoter	Average cost of acquisition per Equity Share (₹)
Inder T. Jaisinghani	0.11
Ramesh T. Jaisinghani	0.00
Ajay T. Jaisinghani	0.01
Girdhari T. Jaisinghani	0.00

For further details, see “*Capital Structure*” beginning on page 97.

- There have been no financing arrangements whereby our Promoter Group, the directors of our Promoters, our Directors and their relatives (as defined in the Companies Act, 2013), have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

- For details of transactions between our Company and Subsidiaries or our Joint Ventures or our Group Companies during the last financial year, including the nature and cumulative value of the transactions, see “*Related Party Transactions*” on page 254.
- For information regarding the business or other interests of our Group Companies in our Company, see “*Our Group Companies*” and “*Related Party Transactions*” beginning on pages 249 and 254, respectively.
- Investors may contact the Lead Managers or the Registrar to the Offer, for any complaints pertaining to the Offer.

All grievances in relation to the Bids through ASBA process 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, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. Further, 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.

## SECTION III: INTRODUCTION

### SUMMARY OF INDUSTRY

*Investors should note that this is only a summary of the industry in which our Company operates and does not contain all information that should be considered before investing in the Equity Shares. Investors should read this Draft Red Herring Prospectus, including the information in “Industry Overview” and “Financial Information” beginning on pages 132 and 256, respectively. An investment in the Equity Shares involves a high degree of risk and for details relating to such risks, see “Risk Factors”, beginning on page 20.*

*We have commissioned CRISIL Research to undertake a research report titled “Assessment of Electrical Products Industry in India – October 2018” (the “CRISIL Report”) for reference in this Draft Red Herring Prospectus. The CRISIL Report uses certain methodologies for market sizing and forecasting. Neither we, any of the Lead Managers, nor any other person connected with the Offer, have independently verified such data and therefore, while we believe them to be true, we cannot assure you 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 and are not responsible for any errors or omissions or for the results obtained from the use of the data or their report. Accordingly, investors should not place undue reliance on, or base their investment decision solely on, this information.*

*Industry and market data used in this section have been extracted from the CRISIL Report. For further details and risks in relation to the CRISIL Report, see “Risk Factors – We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.” on page 41.*

#### **Overview of Indian economy**

##### ***GDP grew at 6.9% CAGR over the past six fiscal years and forecasted to grow at 7.5% in fiscal 2019***

India adopted fiscal 2012 as the new base year for calculating gross domestic product (“GDP”). On this basis, the GDP rose at 6.9% CAGR between fiscals 2012 and 2018 to ₹ 130 trillion. As per statistics from the Central Statistics Office, in fiscal 2018, the GDP expanded 6.7% with faster growth in the second half of the fiscal year as compared to the first half of the fiscal year.

GDP growth showed a sharp upturn in the fourth quarter of fiscal 2018. CRISIL Research expects the momentum to continue and lift growth to 7.5% in fiscal 2019, compared with growth of 6.7% in fiscal 2018. Factors contributing to this growth are a third straight year of normal and consistently distributed monsoon, the rectification of issues related to the Goods and Services Tax (“GST”), the declining impact of demonetisation, budgetary support of the rural economy, and a low-base effect.

##### ***Private final consumption expenditure as percentage of GDP was 59.1% in fiscal 2018***

According to National accounts statistics 2018 released by the Ministry of Statistics and Program Implementation (“MoSPI”), private final consumption expenditure (“PFCE”) at current prices was estimated at ₹ 99 trillion in fiscal 2018, compared with ₹ 90 trillion in fiscal 2017.

According to MoSPI, the PFCE was estimated at ₹ 73 trillion in fiscal 2018 at constant (2011-12) prices, compared with ₹ 68 trillion in fiscal 2017. PFCE constitutes a significant component of GDP, contributing to 55.8% of GDP in fiscal 2018.

##### ***Urbanisation likely to reach 35% by 2020***

India’s total population was approximately 1.2 billion and comprised nearly 246 million households, per the Census 2011. From 2001 to 2011, the population grew at a 1.8% CAGR.

According to results of ‘The 2017 Revision of the World Population Prospects’ by the United Nations population estimates and projections, India and China remain the two most populous countries, China being the most populous. The report further projects India’s population to grow at 1.2% CAGR by 2030 to 1.5 billion, becoming the world’s most populous country, surpassing China which is projected to grow to 1.4 billion in 2030.

The share of India’s urban population in relation to total population has been rising over the years, and stood at approximately 31% in calendar year 2010. People from rural areas move to cities for better job opportunities, education and a better life amongst other reasons. Entire families or only a few individuals (generally an earning member or students) may migrate, while the rest of the family continues to live in the native house in the latter instance. A United Nations report, World Urbanization Prospects: The 2018 Revision, expects nearly 35% of the country’s population to live in urban areas by 2020.

## **Review and outlook of Indian cables and wires industry**

CRISIL Research has defined the cables and wires industry in India to include power cables, building wires, instrumentation and control cables, telecom cables (excluding OFC), elastomeric cables and other flexible and special application cables used in various industrial sectors.

The electrical cables and wires segment of the industry constitutes 40-45% of the electrical equipment industry in India, which constitutes 8% of the manufacturing sector in terms of value, and 1.5% of the overall GDP in fiscal 2018. The increasing demand for power, light and communication (voice as well as data) has kept the demand for cables and wires high. Investments in power transmission projects, execution of solar and wind energy projects, metro rail projects, and increased household spending have all led to an increase in demand for power and building wires and cables. Further, growth in the industrial sector has resulted in increased demand for flexible cables and wires and control and instrumentation cables.

The Indian cables and wires industry has grown at a CAGR of approximately 11% by value in the last five years to reach ₹ 525 billion in fiscal 2018. In general, realisation of the cables and wires industry follows the trend of key raw materials prices, mainly copper and aluminium. In value terms, CRISIL Research expects the industry to grow by approximately 15% CAGR and reach an estimated ₹ 1,033 billion by fiscal 2023.

### **Key growth drivers in the Indian cables and wires industry**

#### ***Government initiatives in power and infrastructure will remain major contributors to growth in the future***

Increased infrastructure spending by the government will boost growth in cables and wires as new construction activities will increase demand for elastomeric and flexible cables, development in infrastructure drives growth for commercial and industrial buildings thus increasing demand for building wires and LV cables. Demand for fire survival cables will be supported by metro, airport and commercial real estate projects.

#### ***Roads***

CRISIL Research estimates overall construction spend in key infrastructure sectors to rise over the next 5 years, aided by several recent policy reforms. Roads are expected to drive the majority of the construction spend; investments in urban infrastructure, irrigation, and railways are expected to grow at a fast pace.

#### ***Urban infrastructure***

The government's investment focus on smart cities and metro construction in major Indian cities will drive growth for various types of cables and wires. CRISIL Research expects metro projects to be the second-largest urban infrastructure investment contributor over the next five years. CRISIL Research estimates construction spends on metros to increase 1.9 times to approximately ₹ 1.1 trillion over fiscals 2019-2023.

#### ***Consumer spending***

CRISIL Research expects changing trends in relation to home improvements and increasing disposable incomes to boost demand for retail building wires segment. Rising disposable incomes will further drive demand for household appliances and automobiles, which CRISIL Research expects to have a positive impact on demand for flexible cables.

### ***Review and outlook of Indian switches industry***

CRISIL Research estimates the switches industry to be at ₹ 40 billion as of fiscal 2018, having experienced a CAGR of approximately 8% over the past five years. Despite the impact of the real estate sector slowdown, the industry has grown in value with an increasing demand for modular switches with higher price points. CRISIL Research expects the switches industry to grow to ₹ 62 billion by fiscal 2023 at a CAGR of approximately 9%, driven by modular switches with higher realisations.

### **Key growth drivers in the Indian switches industry**

#### ***Electrification push and changing consumer preferences to drive growth***

CRISIL Research expects the switches to experience robust growth, driven by government initiatives to improve power availability, a government push for affordable housing, rising disposable incomes and an overall positive macro-economic environment in the medium to long term. CRISIL Research expects traditional switches to witness slower growth due to changing consumer preferences.

### ***Improving electrification to boost rural demand***

The government is expanding electrification through various initiatives, which CRISIL Research expects to boost demand for household electrical products, in turn increasing the demand for power. Higher power usage in residential and industrial applications is expected to drive growth in the switches industry in the medium to long term.

### **Review and outlook of Indian lightings industry**

CRISIL Research estimates the lighting industry, comprising conventional lighting, LED lighting and accessories, to be at ₹ 212 billion as of fiscal 2018. The industry is estimated to have experienced approximately 10.5% CAGR over the past five years. Within the LED segment the institutional category, comprising large organisations and government agencies like Energy Efficiency Services Ltd, have dominated sales thus far, given the significantly higher prices of LEDs, especially in the initial years of its introduction.

CRISIL Research estimates that the Indian lighting and luminaire industry will experience approximately 7% CAGR, to reach an estimated market size of ₹ 301 billion by fiscal 2023.

### **Key growth drivers in the Indian lightings industry**

#### ***Housing sector revival to drive retail demand***

CRISIL Research expects the investments in public infrastructure, a government push for affordable housing, government initiatives to improve power availability, growth of the automobiles segment and an overall positive macro-economic environment to drive growth in the Indian lighting and luminaire industry in the medium to long term. Within the lighting segment, the LED segment has already managed to gain significant share over the past five years, driven largely by institutional sales.

#### ***Increasing awareness for energy-efficient technologies***

Widespread efforts to promote LED Lighting by Central and State Government have resulted in high awareness in urban area. The shift from conventional lighting to LED lighting has increased in urban areas, where consumers with higher disposable income are adopting LEDs faster. Due to high initial investment in LEDs, the shift towards LEDs is lagging in rural areas, but is expected to pick up with government incentives.

### **Review and outlook of Indian switchgear industry**

The LV switchgear industry primarily derives its demand from the residential and industrial sector, with MCBs, DBs, and RCCBs being the most common products. The residential sector experienced a slowdown because of multiple factors such as falling demand, demonetisation and the implementation of the Real Estate Regulatory Authority (RERA) under the Real Estate (Regulation and Development) Act, 2016. A slowdown in the industrial sectors with respect to capacity addition also constricted growth in the domestic LV switchgears segment in the past.

The MV/HV segment is driven by industry and power utilities, with the products being mainly used in power distribution stations and sub-stations having heavy voltage requirements. The segment experienced muted growth for the past five years, as power distribution companies were faced with issues such as financial stress and closure of unviable power plants. CRISIL Research estimates the switchgear industry to be at ₹ 183 billion in fiscal 2018, having grown approximately 7% between fiscals 2014 and 2018.

CRISIL Research expects the Indian switchgear industry to grow at a CAGR of approximately 9% and reach ₹ 286 billion in fiscal 2023.

### **Key growth drivers in the Indian switchgear industry**

#### ***Improving electrification to drive growth***

The government is expanding electrification through initiatives such as Saubhagya and DDUGJY, which CRISIL Research expects to boost demand for household electrical products, in turn increasing the demand for power. Accordingly, CRISIL Research expects higher power usage in residential and industrial applications to drive demand for the switchgear industry in the medium to long term.

#### ***Modular devices are becoming the preference***

CRISIL Research expects new construction in the real estate sector to employ an increasing proportion of modular devices, thus leading to customization of the switchgear assembly to suit the requirements of the construction.

### ***Review and outlook of the Indian fans industry***

CRISIL Research estimates the size of the electric fans industry at ₹ 80 billion as of fiscal 2018, having grown at a CAGR of approximately 6% over the past five years. In relation to ceiling fans, while overall volumes have been impacted as a result of the slowdown in the real estate sector over the past few years, growth has been driven by an increasing preference for premium category products, including decorative fans, energy-efficient fans and custom-made fans. The TPW fans segment, which typically enjoys a higher demand from rural areas compared with urban areas because of its portable nature (as it eliminates the need for multiple fans) has also seen growth as the availability of electricity has improved as a result of varied government initiatives, thereby leading to increased demand for consumer appliances including fans.

Ceiling fans account for 69-71% in the total electric fans industry in India.

Based on the product type, the electric fans industry in India can be broadly classified into:

- Ceiling fans
- Table, Pedestal, and Wall (“TPW”) fans
- Exhaust fans – typically used in kitchens, and bathrooms
- Industrial fans

CRISIL Research estimates the Indian electric fans industry to improve by a CAGR of approximately 7% to ₹ 111 billion by fiscal 2023.

### **Key growth drivers in the Indian fans industry**

#### ***Premium ceiling fans segment to gain market share and drive growth for fans industry***

There has been a noticeable shift from the economy category to the premium category as per industry estimates. Factors such as rising disposable incomes, changing consumer preferences and the increased availability of electricity across the country have provided the demand impetus for players to improve on aspects such as design, efficiency and technology, even in the case of standardised product categories such as electric fans.

#### ***Electrification to raise penetration in rural areas***

The government is promoting increased electrification in rural areas with schemes such as DDUGJY, Saubhagya, and UDAY. CRISIL Research expects this to act as a catalyst for increasing the rural penetration of the electric fans industry.

### **Review and outlook of Indian water heaters industry**

The demand for water heaters is largely seasonal, because of which the penetration has stayed low. Also, the high energy costs associated with water heaters act as a deterrent for adoption of water heaters, especially in areas where the electricity supply is inconsistent. CRISIL Research estimates the electric water heater industry to be at ₹ 18 billion in fiscal 2018, having grown at approximately 11% during fiscals 2014-18.

CRISIL Research estimates the electric water heaters industry to grow at approximately 10.5% during fiscals 2018-23, reaching ₹ 32 billion in fiscal 2023.

### **Key growth drivers in the Indian water heater industry**

#### ***Enhanced features to drive adoption and growth***

Industry sourcing indicates that electric water heaters are undergoing a revamp with the addition of new features to differentiate them from solar and gas-operated water heater players. CRISIL Research expects enhancements to lead to improved demand from consumers in the medium to long term.

#### ***Improved energy efficiency to boost demand***

Organised players have begun producing more energy-efficient products, translating to a reduction in the energy costs required for the operation of electric water heaters, which CRISIL Research expects to boost their demand.



## SUMMARY OF OUR BUSINESS

*Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the sections “Risk Factors”, “Our Business”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on pages 20, 181, 256, and 504, respectively. An investment in the Equity Shares involves a high degree of risk.*

*The following description of our business should be read together with our restated consolidated financial information as at and for the three months period ended June 30, 2018 and the fiscal years ended March 31, 2018, 2017, 2016, 2015 and 2014 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus.*

*References herein to “we”, “our” and “us” are to Polycab India Limited together with its subsidiaries and, as the context requires, joint ventures. The discussion below may contain forward-looking statements and reflects our current views with respect to future events and financial performance, which are subject to numerous risks and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read “Risk Factors” and “Forward Looking Statements” beginning on pages 20 and 18, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year, “Fiscal” or “FY”, are to the 12 months ended March 31 of that year.*

*Industry and market data used in this section have been extracted from the “Assessment of electrical products industry in India – October 2018” prepared by CRISIL Research, which was commissioned by us. For further details and risks in relation to commissioned reports, see “Risk Factors – We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us” beginning on page 41 and “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” beginning on page 16.*

### OVERVIEW

We are engaged in the business of manufacturing and selling wires and cables and fast moving electrical goods (“FMEG”) under the “POLY CAB” brand. According to CRISIL Research, we are the largest manufacturer in the wires and cables industry in India, in terms of revenue from the wires and cables segment and provide one of the most extensive range of wires and cables in India. For Fiscal 2018, we have a market share of approximately 18% of the organized wires and cables industry and approximately 12% of the total wires and cables industry in India, estimated at ₹525 billion based on manufacturers realization (Source: CRISIL Research). Apart from wires and cables, we manufacture and sell FMEG such as electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories. According to CRISIL Research, the wires and cables industry in India, in value terms, has grown at a compound annual growth rate (“CAGR”) of approximately 11% in the last five years to reach ₹525 billion in Fiscal 2018. CRISIL Research expects the wires and cables industry in India to expand at a CAGR of approximately 15% in value terms to reach approximately ₹1,033 billion by Fiscal 2023.

Each of our promoters has more than four decades of experience. Our Company was incorporated as ‘Polycab Wires Private Limited’ on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. For further details, see “History and Certain Corporate Matters” beginning on page 212.

We manufacture and sell a diverse range of wires and cables and our key products in the wires and cables segment are power cables, control cables, instrumentation cables, solar cables, building wires, flexible cables, flexible/single multi core cables, communication cables and others including welding cables, submersible flat and round cables, rubber cables, overhead conductors, railway signaling cables, specialty cables and green wires. In 2009, we diversified into the engineering, procurement and construction (“EPC”) business, which includes the design, engineering, supply, execution and commissioning of power distribution and rural electrification projects. In 2014, we diversified into the FMEG segment and our key FMEG are electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories.

We have 24 manufacturing facilities, including our two joint ventures with Techno Electromech Pvt Ltd. (“Techno”) and Trafigura Pte Ltd (“Trafigura”), located across the states of Gujarat, Maharashtra and Uttarakhand and the union territory of Daman and Diu. Three of these 24 manufacturing facilities are for the production of FMEG, including a 50:50 joint venture with Techno, a Gujarat-based manufacturer of LED products. In 2016, we entered into a 50:50 joint venture with Trafigura, a commodity trading company, to set up a manufacturing facility in Waghodia, India to produce copper wire rods (the “Ryker Plant”). We expect the Ryker Plant to commence commercial operations by the end of Fiscal 2019, with an estimated annual capacity of 258,620 MT of copper wire rods once it is fully operational. The Ryker Plant will strengthen the backward integration of our manufacturing process as we expect that it will meet a substantial part of our demand for copper wire rods for the manufacturing of our wires and cables and FMEG. We strive to deliver customized and innovative products with speed and quality service. Examples of made-to-order products we have manufactured for our customers include low voltage cables with low smoke zero halogen properties and high tension (“HT”) cables with anti-rodent and anti-termite properties. Our

production process is designed to ensure quality while delivering the ability to produce complex electrical products on short timeframes to meet our customers' needs. Most of our manufacturing facilities are accredited with quality management system certificates for compliance with ISO 9001, ISO 14001 and OHSAS 18001 requirements. Our central quality and test laboratory in Halol is accredited by NABL and our central test laboratory, also located in Halol, for all flexible wires and cables is approved by Underwriters Laboratories ("UL"). Certain of our products are also certified to be compliant with various national and international quality standards including Bureau of Indian Standards ("BIS"), British Approvals Service for Cables ("BASEC"), UL and international electrotechnical commission ("IEC").

Our research and development ("R&D") capabilities, emphasis on upgrading the technology used in our production process, customer-centric R&D efforts and our R&D center located in Halol, assist our sales and marketing team in understanding our customers' requirements. We believe that our R&D efforts have helped us to resolve the technical problems that our customers faced. Through our R&D efforts, we have developed products such as flame retardant elastomeric compounds, flame retardant chlorosulphonated polyethylene rubber compounds and cathodic protection cables using fluoropolymers and other innovative products such as environmentally friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sector. See " – *Research and Development*" on page 204 for details. In addition, we have adopted automation systems in our manufacturing process such as the manufacturing execution system ("MES"), which is an automated sensor base system for recording the actual consumption of raw materials in production, as well as enterprise resource planning ("ERP") systems. We have also adopted the Maynard Operation Sequence Technique ("MOST") to drive productivity and optimize capacity utilization.

We have an established supply chain comprising our network of authorized dealers, distributors and retailers. This network supplies our products across India. Our distribution network in India comprise over 3,300 authorized dealers and distributors and 29 warehouses as at March 31, 2018. We supply our products directly to our authorized dealers and distributors who in turn supply our products to over 100,000 retail outlets in India. We manage our sales and marketing activities through our corporate office, three regional offices and 20 local offices in various parts of India as at June 30, 2018. In addition, in Fiscal 2018, we exported our products to over 40 countries. Our revenue from outside India contributed 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscal 2018.

We are an established manufacturer of cables and wires in India and we will continue to strengthen our brand in both our wires and cables business and our FMEG business. Our advertising and sales promotion expenses has increased from ₹579.41 million in Fiscal 2016 to ₹936.94 million in Fiscal 2018. We have been awarded the gold trophy for five consecutive years from 2013 to 2017 at the Annual Convention on Quality Concepts organized by the Quality Circle Forum of India. We work closely with major power utilities, oil and gas, IT parks, metro rail, infrastructure, metal and non-metal, cement and EPC companies that operate in India and abroad. Our customers include institutional clients such as L&T Construction and government clients such as Konkan Railway Corporation Ltd. For details, see "*Our Business – Sales and Marketing*" on page 204.

From Fiscals 2016 to 2018, our total income less excise duty grew at a CAGR of 14.31%. During the same period, Fiscals 2016 to 2018, our EBITDA and profit for the year grew at a CAGR of 23.80% and 41.69%, respectively. For Fiscals 2016, 2017 and 2018, our total income less excise duty was ₹52,355.42 million, ₹55,753.30 million and ₹68,413.04 million, respectively, our EBITDA margin was 10.01%, 9.95% and 11.74% respectively, our PAT margin was 3.53%, 4.17% and 5.42% respectively, our ROE was 10.34%, 11.66% and 15.76% respectively, our RoCE was 15.99%, 14.97% and 21.25%, respectively, and our debt to equity ratio was 0.45, 0.43 and 0.34, respectively.

## **OUR STRENGTHS**

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

### **Market leader in wires and cables in India**

We are the largest wires and cables manufacturer in India, in terms of segment revenues, with a market share of approximately 18% of the organized wires and cables industry and approximately 12% of the total wires and cables industry in Fiscal 2018. (Source: CRISIL Research) Having grown at a CAGR of 14.2% from Fiscals 2014 to 2018 in terms of operating revenues, we were the one of the faster growing manufacturers in the organized wires and cables industry during the period from Fiscals 2014 to 2018 (Source: CRISIL Research).

We have one of the most extensive portfolio of wires and cables to cater to the needs of our institutional and retail customers in different industries (Source: CRISIL Research). We are a trusted supplier of wires and cables for a diverse base of customers as we have, among others, robust manufacturing facilities and strong R&D capabilities, enabling us to produce quality and reliable products, provide quality after sales services and maintain a reputable brand name and successful track record in the industries of our customers. Our products are either (i) made-to-stock, produced based on demand forecasts from customers and/or company sales team, or (ii) made-to-order, where we work closely with our customers to develop customized products that are in line with their needs. Our established customers include institutional clients such as L&T Construction and Konkan Railway Corporation Ltd. and other global leading brand companies. For details, see "*Our Business – Sales and Marketing*" beginning on page 204.

The Indian wires and cables industry has grown at a CAGR of approximately 23% from Fiscals 2014 to 2018, in terms of production volume (*Source: CRISIL Research*). In value terms, CRISIL Research expects the Indian wires and cables market to grow at a CAGR of approximately 15% to reach an estimated ₹1,033 billion by Fiscal 2023, largely due to government initiatives in power and infrastructure, an increase in industrial investment, a rise in consumer spending and an increase in exports of wires and cables from India. We intend to capture such growth by leveraging on our brand, product quality and strong distribution network. For a description of industry trends in the wires and cables market, see “*Industry Overview*” beginning on page 132.

### **Diverse suite of electrical products with varied applications across a diverse customer base**

We manufacture and sell a diverse portfolio of wires and cables and FMEG, which also gives us the opportunity to cross-sell our products to our diverse base of customers. Since our incorporation as a business-to-business (“**B2B**”) manufacturer of wires and cables, we have diversified into the FMEG business and transformed our company from a pure B2B company into a B2B and business-to-customer (“**B2C**”) company. According to CRISIL Research, we have one of the most diversified product portfolio as compared to our competitors. Our FMEG external sales, as per our segment reporting under Ind AS 108, increased at a CAGR of 57.95% from Fiscals 2016 to 2018.

We have three business lines namely, (i) wires and cables, (ii) FMEG comprising electric fans, LED lighting and luminaire, switches and switchgears, solar products and conduits and accessories, and (iii) EPC. Key wires and cables products include light duty cables (“**LDCs**”), low voltage, medium voltage, extra-high voltage, instrumentation, building wires and electrical wiring accessories (“**EWA**”). See “*Our Business – Our Products*” on page 189 for details on the products we sell and, as the case may be, manufacture.

Copper, aluminium, PVC Compounds and steel are essential raw materials in the manufacture of our wires and cables and FMEG. We enjoy economies of scale as we are able to negotiate for better prices when we purchase raw materials in large quantities, thus enabling us to better manage the total cost of our raw materials. In addition, we enjoy the cost-savings in terms of transportation and distribution since each van can carry multiple products, spreading the overhead costs over a greater number of products.

We seek to continually improve our in-house R&D capabilities to capitalize on industry trends including in particular, the move towards home automation and environmentally friendly products that consume less power. Our R&D efforts are critical to providing innovative product to our customers to meet their changing needs and to differentiate our products from our competitors. Our central quality and test laboratory in our R&D center is NABL accredited. Through our R&D efforts, we have developed several innovative products. For example, we have developed environmentally friendly power cables, that consume less power, to meet the growing demand for green products. We are also developing specialized, innovative and quality cables such as automotive cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sectors.

We have a diverse customer base comprising governmental authorities, retailers, distributors, dealers and industrial and institutional customers in a range of industries including power, oil and gas, construction, IT parks, infrastructure, metal and non-metal, cement, agriculture and real estate industries. Although India remains our largest market, our products are exported to more than 40 countries in the world, with our sales to customers located outside India contributing to 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscal 2018. Our diverse customer base across industries and customer profiles reduce our dependence on any one industry or customer and provides a natural hedge against market instability in a particular industry.

### **Strong distribution network**

Our distribution network across India also enables us to roll out new products more quickly, which gives us a competitive advantage over our competitors. As at March 31, 2018, our distribution network across India comprised 3,372 authorized dealers and distributors. We supply our products directly to our authorized dealers and distributors who in turn sell our products to over 100,000 retail outlets in India. Further, we supply our portfolio of products to our direct customers including EPC companies and government companies through direct sales. We manage our sales and marketing activities through one corporate office, three regional offices and 20 local offices in India as at June 30, 2018. In Fiscal 2018 we also exported our products, including wires and cables and certain FMEG products such as electric fans, to more than 40 countries.

The following table sets forth details of the number of dealers and distributors for the periods indicated:

<b>Fiscal 2018<sup>(1)</sup></b>	<b>Fiscal 2017<sup>(1)</sup></b>	<b>Fiscal 2016<sup>(1)</sup></b>
3,372	3,678	3,825

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years.

The number of dealers and distributors has decreased from Fiscal 2016 to Fiscal 2018 as we discontinued relationships with some of the smaller direct dealers and increased our focus on larger distributors, who also started catering to some of these smaller direct dealers.

The following table sets forth details of the number of dealers and distributors by geography for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
East	684	787	782
North	912	875	921
South	1,057	1,145	1,187
West	719	871	935
<b>Total<sup>(1)</sup></b>	<b>3,372</b>	<b>3,678</b>	<b>3,825</b>

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years. Multi-geography dealers and distributors are counted in the region in which they have the highest sales

The following table sets forth details of the number of dealers and distributors by product for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
Wires and cables	1,304	1,436	1,718
FMEG	1,547	1,603	1,381
Common for wires and cables and FMEG	521	639	726
<b>Total<sup>(1)</sup></b>	<b>3,372</b>	<b>3,678</b>	<b>3,825</b>

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years.

The following table sets forth details of the number of dealers and distributors by product range for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
Pump, pipe and fitting	6	-	-
Electrical wiring accessories	431	569	551
Fan	1,027	1,170	1,250
High density cable	428	687	948
Low density cable	1,096	1,236	1,377
Lighting	734	823	757
Luminaires	320	408	362
Pipe and conduits	193	198	148
Switchgear	366	266	19
Solar products	21	30	-
Wires	1,461	1,597	1,644

<sup>(1)</sup> There are overlaps in the dealers and distributors indicated, as one dealer/distributor may have dealings with us in multiple products.

We have strong, long-standing relationships with many of our authorized distributors and dealers. We believe that our strong relationships with our authorized distributors and dealers provides us with a competitive edge over our competitors. Further, many of our authorized distributors are dependent on our products in their sales turnover.

We have 29 warehouses located across 20 states and union territories in India. Our warehouses are typically located in close proximity to our authorized distributors, authorized dealers and direct customers to ensure timely supplies and faster deliveries and to avoid any unnecessary capital expenditure we may incur from setting up production facilities with sub-optimal capacities. The close proximity of our warehouses to our customers also enables us to mitigate the additional costs of transportation. Further, we have implemented in two of our warehouses in Halol an automatic storage and retrieval system (“ASRS”), which are computer-controlled warehouse management systems designed to automate the placing and retrieving of loads, thereby making order fulfilment and delivery more efficient and reducing our costs of operation. We also plan to implement the ASRS in our other warehouses.

To strengthen our distribution network, we have undertaken several internal and external facing initiatives. Key initiatives include (i) our customer relationship management (“CRM”) programme, Bandhan, and (ii) Project Josh, which seek to increase our market share in the FMEG segment in a targeted and organized manner. Bandhan, which was launched in April 2017, helps us better understand our end customers through the data collected from retailers and electricians. It allows us to allocate our resources more effectively and undertake targeted marketing. Through Bandhan, we are also able to more effectively develop and launch products. We introduced Project Josh in 2015, a strategic initiative which aims to increase our market share in the FMEG segment in a targeted and organized manner. Project Josh required us to make five key shifts in the way we manufacture and sell our products, that is to (i) place additional focus on pull marketing, (ii) be more customer oriented in terms of our products, (iii) anticipate changes and lead the industry, (iv) empower leadership among staff, and (v) undertake an approach of building lifetime relationships with our customers. Since the implementation of Project Josh in 2015, we have increased our number of retailers and distributors to, as at June 30, 2018, approximately 33,000 and 500, respectively, in the approximately 105 locations where Project Josh was implemented. We intend to continue to enhance our existing initiatives and roll out new initiatives to better understand our customers, allocate resources more efficiently and undertake more targeted sales and marketing.

## **Manufacturing facilities with high degree of backward integration**

Our competitive edge lies in product innovation, quality and availability. We manufacture our products within our manufacturing facilities, which were set up to address the specific needs of innovation, quality and availability. We have developed systems throughout our production process to ensure the quality and reliability of our products. Our manufacturing facilities are accredited with quality management system certificates for compliance with ISO 9001, ISO 14001, OHSAS 18001 requirements. Our central quality and test laboratory, located at Halol, is accredited by NABL and our central test laboratory, also located at Halol, for all flexible cables and wires is approved by UL. Certain of our products are also certified to be compliant with various national and international quality standards including BIS, BASEC, UL, IEC and various specific approvals from other countries. We make use of technology and automation systems such as IoT, MES, ERP and MOST to enhance our workflows and manufacture quality and reliable products. Our production capabilities, including the amount of capital and technology investment, operational expertise and industry knowledge accumulated to deliver our products which are further enhanced by the assistance from our research and development facilities, constitute a high barrier to entry that is difficult for other companies to emulate.

According to CRISIL Research, we are the largest player in the wires and cables segment in India in terms of segment revenue. As at June 30, 2018, we have 24 manufacturing facilities, three of these 24 manufacturing facilities are for the production of FMEG, including a joint venture with Techno to manufacture LED products. In addition, we have seven Catenary Continuous Vulcanization lines within our manufacturing facilities for producing different types of wires and cables to meet customers' demands and needs. With our large-scale operations, manufacturing experience and proprietary know how, we are generally able to bid for large projects and execute them well and on time. Our B2B customers typically implement stringent approval processes in the selection of their suppliers and our ability to be a key supplier and to establish relationships with many of our customers demonstrates our production capability and quality.

We also have a strong focus on backward integration in our manufacturing process, where we seek to produce a substantial portion of our raw materials and source the remaining from third-party suppliers. In 2016, we entered into a 50:50 joint venture with Trafigura to set up the Ryker Plant that will, once fully operational, fulfil a substantial part of our demand for copper wire rods. Apart from the Ryker Plant, we also produce in our existing manufacturing facilities other key raw materials that we then use in the manufacturing of our wires and cables and FMEGs. These key raw materials include aluminium rods (for aluminium conductor), higher size of copper rods (for required size of copper conductors for manufacturing cables and wires), various grades of PVC, Rubber, XLPE compounds, GI wire and strip (for armouring). Producing our own raw materials reduces our reliance and risks of procuring raw materials from domestic and international markets by ensuring a consistent and reliable supply of quality raw materials. Such backward integration also helps us to maintain control of the supply chain, lower our costs of operations and sell our products at competitive prices.

We own and operate two manufacturing facilities located in the states of Maharashtra and Uttarakhand for the production of switchgears and ceiling fans, respectively. The two facilities have a total production capacity of 8,400,000 (in numbers) as at June 30, 2018. In 2017, we entered into a 50:50 joint venture with Techno, a Gujarat-based manufacturer of LED products. Through our joint venture with Techno, we are able to secure a reliable supply of LED lighting and luminaire products and be better placed to take advantage of the growth opportunities we see in the LED industry. For all our other FMEG products, we enter into arrangements with third-party manufacturers who manufacture our products based on our requirements. These products include fans, lighting and luminaire products, switchgears and switches and pumps, which we conduct regular inspection to ensure their quality and that they meet our requirements. For details, see "*Our Business – Our Products – FMEG*" on page 194.

In addition, our ability to rapidly implement design or manufacturing process improvements grants us the flexibility to optimize the use of our production lines. We can adjust production lines quickly, coordinate production across our production facilities or alter production schedules in response to changes in demand. Further, our production competence encompasses in-house design capabilities hemmed by a dedicated design team, which contribute to our efficiency and stringent quality control. Our production capabilities also enable effective control over quality, production costs, product development and supply chain management, further empowering us to service customer requests in an efficient manner, while better managing our production and administrative costs.

## **Strong brand in the electrical industry**

We are an established manufacturer of wires and cables and other electrical products, and we sell our products under our "POLYCAB" brand. According to CRISIL Research, we are the largest player in the wires and cables industry in India in terms of segment revenue. As of Fiscal 2018, we have approximately 18% market share of the organized wires and cables industry, estimated at ₹346 billion, and approximately 12% market share of the total wires and cables industry, estimated at ₹525 billion. In the FMEG segment, our external sales, as per our segment reporting under Ind AS 108, have grown at a CAGR of 57.95% from Fiscals 2016 to 2018. We believe that our focus on providing quality and reliable products and on continuous development of innovative products through our R&D efforts, together with our strong distribution network and sales and marketing efforts have enabled us to develop a strong brand recognition in the electrical industry. Our strong brand also provides us the opportunity to cross-sell our FMEG to our wires and cables customers.

We are focused on increasing brand awareness and seek to do so via a multi-pronged approach. We have and intend to continue to advertise through social media, conventional media such as television, print and the internet as well as in-store promotions such as sales promotion, retail pop-ups and visual merchandising. We also actively engage our distributors and dealers to ensure that we maintain good relationships and that they are incentivized to promote and sell our products. We do this through regular one on one interactions with them and our mobile application, Bandhan Star, which awards loyalty points to our channel partners for every product they purchase from us. From Fiscals 2016 to 2018, our advertising and sales promotion expenses increased from ₹579.41 million to ₹936.94 million.

We work closely with major power utilities, oil and gas, IT parks, metro rail, infrastructure, metal and non-metal, cement and EPC companies that operate in India and abroad. We have a dedicated sales and marketing team looking after and actively engaging our institutional customers. Our customers include institutional clients such as L&T Construction and government clients such as L&T Construction and Konkan Railway Corporation Ltd. For details, see “*Our Business – Sales and Marketing*” on page 202.

### **Experienced and committed management team**

Our success has been, and will continue to be, dependent on our management team. Our management team has collectively many years of entrepreneurial and managerial experience in the electrical products industry. Our management team also possesses an extensive network of customer relationships and a deep understanding of our operations, pricing strategies, business development and industry trends.

Our experienced management team is led by Inder T. Jaisinghani, our Chairman and Managing Director, who has approximately 40 years of experience in the cable and wire industry. Other members of the senior management team such as Ramakrishnan Ramamurthi, Shyam Lal Bajaj, Shashi Amin and Manoj Verma, also have extensive industry experiences in their respective fields. Under the leadership of our experienced senior management team, we are well positioned to execute our strategies in the ever-changing electrical industry.

### **OUR STRATEGIES**

We intend to continue to grow our business through implementing the following strategies:

#### **Enhance and strengthen our leadership position in wires and cables**

The Indian wires and cables market has grown at a CAGR of approximately 23% from Fiscals 2014 to 2018, in terms of production volume (*Source: CRISIL Research*). Accordingly, CRISIL Research expects the domestic cables and wires industry to expand at a CAGR of approximately 12% and reach an estimated 26.2 million kms by Fiscal 2023. In value terms, CRISIL Research expects the Indian wires and cables market to grow at a CAGR of approximately 15% to reach an estimated ₹1,033 billion by Fiscal 2023, due largely to government initiatives in power and infrastructure such as increased infrastructure expenditure by the Government which will boost demand for wires and cables, growth in fire survival cables supported by metro, airport and commercial real estate projects and Smart Cities Missions’ investment in underground cables, an increase in industrial investment, a rise in consumer spending and an increase in exports of wires and cables from India. We intend to enhance, maintain and strengthen our leadership position in the wires and cables market in India by growing our share of business with existing customers, winning new customer contracts, geographical expansion and development of innovative and customized products.

We intend to expand our market share by targeting key growth sectors such as mining, oil and gas, shipping, power, renewables, infrastructure, construction, automotive, telecommunication and agriculture. We seek to expand our customer base and utilize our research and development capabilities to develop new and innovative products for these sectors. For example, we have developed an environment-friendly wire, green wire, to meet the growing demand for green products. Other specialized cables such as automotive cables, rubber (elastomeric) cables and electron-beam irradiated cables, which are in advanced stages of development, will serve the needs of the automobile, ship-building, mining and rolling stock sectors. Affordable housing scheme, growing nuclearization of families and investments in commercial and residential infrastructure are driving factors for a growing demand for building wires such as halogen free fire-retardant cables.

We will continue our efforts to increase revenue from our existing customers by expanding our suite of products and developing new quality products aligned with their needs. In 2016, we entered into a 50:50 joint venture with Trafigura to set up the Ryker Plant, a manufacturing facility in Waghodia, India for the production, trading and sale of copper wire rods. We expect the Ryker Plant to commence operations in Fiscal 2019 and once fully operational, the plant will have an annual capacity of 258,620 MT of copper wire rods. We will continue to explore opportunities to invest in additional facilities and enhance our production capabilities, including designing, customizing and integrating automation technologies into our production processes. Integration of such automation technologies should provide us with additional production flexibility, enhance our production capabilities and maintain our cost competitiveness. Such capability should provide us with a leading edge over other companies that do not possess such abilities.

Our extensive experience, proven track record, strong brand and reputation and ability to provide a range of electrical products will also position us strongly for expansion of our international presence. We intend to continue to focus on our existing international markets such as the United Kingdom, United States, European Union, United Arab Emirates and Australia. In May 2018, we entered into a non-binding arrangement with an oil and gas company in Africa for what would be, if converted into a definitive sales contract, our largest order for wires and cables at approximately USD143 million, demonstrating our increasing success in the international markets. We are currently negotiating a definitive sales contract with this oil and gas company, though there is no guarantee that we will successfully enter into such contract. To expand into international markets, we intend to set up manufacturing facilities locally, leverage our established business relationships and engage experienced local representatives and international trading agencies to expand our overseas sales channels. We also intend to improve our brand recognition in overseas markets by participating in international trade exhibitions. Further, we will continue to apply for and obtain approvals and accreditations to enter into new international markets.

We seek to improve our working capital management, namely to reduce our Debtor Days, rationalise our inventory levels, and reduce finance costs on our trade payables. To reduce our Debtor Days, we have increased our use of channel financing, whereby our customers enter into arrangements with banks through which we receive payment directly from the banks, who in turn take on credit risk and seek to collect outstanding dues from the customers. Channel financing reduces our risk of non-payment, and significantly increases the speed at which we receive payment, as we receive payment directly from banks. With regard to our inventory, our goal is to have sufficient inventory on hand at all times so that we are able to quickly meet the demands of our customers. To this end, we strategically manage our inventories, purchasing raw materials based on our estimated future production requirements, taking into account our views on potential supply shortages, and maintaining finished goods based on our estimates of future customer demand. In recent years, we have increasingly focused on rationalising our inventory management to meet our future requirements against while not carrying undue levels of working capital. In terms of our Payable Days, we have focused on repaying interest-bearing payables as soon as possible, to reduce our finance costs. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working capital requirements and access to capital resources*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working Capital Cycle*” on page 521.

### **Continue to expand our FMEG business**

Our FMEG business has potential for future growth. CRISIL Research expects (i) the switches industry in India to grow at a CAGR of approximately 9% to ₹62 billion by Fiscal 2023, driven by modular switches that have higher realizations, (ii) the lighting and luminaire industry in India to grow at a CAGR of approximately 7% to reach an estimated market size of ₹301 billion by Fiscal 2023 largely due to a decline in LED chip prices, government policies to encourage LEDs and increasing consumer awareness for energy efficient technologies such as LED lighting, and (iii) the electric fans industry in India to grow at a CAGR of approximately 7% to ₹111 billion by Fiscal 2023 largely due to government initiatives, the introduction of value added products by major fan manufacturers, replacement demand in urban areas, rise in rural penetration and improving economic factors. For details, see “*Industry Overview*” at page 132.

We seek to grow and strengthen our market position in the FMEG market in India and abroad by leveraging on our brand, distribution network, diverse customer base and manufacturing capabilities. We aim to grow our market share in our existing FMEG product segments with a focus on expanding our distribution reach, increasing rural penetration and greater retail expansion. We are also undertaking detailed market mapping to identify and appoint new channels for geographical expansion. We will continue to enhance our internal and external facing initiatives such as Project Josh and Bandhan to strengthen customer loyalty and increase our market share in the customer electrical segment. See “*Our Business – Our Strategies – Expand distribution reach*” on page 188 for details on Project Josh.

We also intend to focus on manufacturing value-added FMEG that enjoy higher profit margins such as premium fans, a wider range of table, pedestal and wall fans, smart fans and lighting products in the professional luminaire segment and penetrate segments of the FMEG market that are fast growing such as growing preference for energy-effect LED sources and growing exports of ceiling fans, ensuring our presence in each rung of the value chain. Since the manufacture of value-added FMEG use the same back-end manufacturing processes and equipment as our current portfolio of products, we believe we are well positioned to capture the demand for such value-added products.

Further, to cater to the changing needs of our customers, we plan to strengthen our FMEG product portfolio and enter into new product segments by way of continuous product development and innovation. Our R&D activities will be focused on developing new products to capitalize on industry trends, including the move towards home automation and green or environmentally friendly products that consume less power. We also intend to focus on street lighting and other specialized products such as domestic and agriculture pumps, domestic air purifiers and domestic water purifiers.

We intend to further our partnership with our direct customers in the FMEG market and continue to evolve and design products customized for their changing needs. We will continue to position ourselves as the go-to manufacturer of FMEG and will focus on strengthening our after-sales service for our customers. We have created an after-sales service vertical, focused on providing quality after sales services to all our customers across all our product categories. As at June 30, 2018, we have over 230 customer care franchisees who employ customer care technicians.

## **Expand distribution reach**

We intend to increase the size of our addressable market by increasing the number of authorized dealers and distributors in North, South and East India. We also plan to penetrate new towns through these additional dealers and distributors.

We continually evaluate the need for newer warehouses and take appropriate decisions when necessary. We intend to add regional distribution centers in Hyderabad and Kolkata and smaller warehouses in other locations depending on the market potential and our sales plans. These new warehouses will be equipped with ASRS comprising features such as advanced racking mechanisms to meet competitive delivery deadlines. We will also look to implement auto-replenishment modules across our warehouses to help us better monitor and manage the inventory levels at our authorized distributors and dealers.

We will continue to enhance our CRM programme, Bandhan, with features such as GPS, enhanced incentive programmes for accumulation of loyalty points and KYC compliance to ensure the authenticity of our users. In particular, we seek to increase the take up rate of Bandhan among electricians and retailers. As the take up rate of Bandhan and accordingly, the amount of customer data collected through Bandhan increases, we will be able to better identify and understand our end customers as well as more effectively allocate resources. Since we implemented Project Josh in 2015, we have rolled it out in more than 250 towns and will continue to implement it in more towns to increase our distribution network, market share and sales in each location in India. Through Project Josh, we have increased our number of retailers and distributors to, as at June 30, 2018, approximately 33,000 and 500, respectively, in the approximately 105 locations where Project Josh was implemented.

## **Continue to invest in technology to improve operational efficiencies, customer satisfaction and sales**

We intend to continue to invest in technology to improve our operational efficiencies, increase customer satisfaction and improve our sales and profitability.

We will focus on optimizing and automating our production processes to improve returns in a rapidly changing technological environment. We aim to identify opportunities to implement production improvements and will dedicate R&D resources to enhance our production processes. Our adoption of automated production technology will be based on cost and customer service considerations, with a view to equipping ourselves with the optimal production capability to provide the reliable production to our customers. We will also focus on introducing and implementing technology to aid us in our supply chain management to ensure high quality, low costs and on time delivery for our customers. We will continue to automate our production processes through initiatives such as ASRS and auto replenishment modules to help us lower our inventory levels, increase our inventory turnover cycle and better manage the inventory levels at our authorized distributors and dealers. Once implemented effectively, we expect these initiatives to improve our profit margins as well as those of our authorized distributors and dealers. See *“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working Capital Cycle”* beginning on page 521 for details on our working capital ratios.

We will continue to invest in CRM systems and tools that will allow us to better understand our customers and thereby help us to optimize customer interactions, product development and our sales and marketing efforts. Apart from enhancing Bandhan, we intend to implement various software and tools to enable salesforce automation for primary and secondary sales and link our organization systems with our authorized distributors. One of them is the platform under Project Josh where we track, manage and promote secondary sales from distributors to retailers through a mobile app, Field Assist, and Distributor Management Software. The Field Assist is a GPRS-based sales force automation tool for managing secondary sales (i.e. sales from distributors to retailers) and we have implemented it in Hyderabad, Pune, Cochin and Thrissur. It, along with the Distributor Management System, is linked to the distributors’ billing software so that orders from retailers collected on the mobile app is forwarded to distributors and fulfilment tracked. The software also provides us with visibility on secondary sales, stock movement and automated orders to replenish the inventories of our distributors inventory. We intend to roll out this platform across India by March 31, 2019.

With the objective of providing ease to our dealers and distributors in managing their operations and to capture greater sales, we are in the process of implementing a self-service dealer portal which facilitates dealers in placing their purchase orders and making payments. The portal provides information on, among others, order status, account ledger, applicable sales incentive schemes, latest price list, product catalogue, inventory availability and real time information on new products. The portal will be available through mobile apps. We are also in the process of implementing a sales force automation tool for lead, opportunity, account and contact management and to increase the productivity of our sales team by collaboration, workflow, activity visibility and availability of data.

In addition, we will continue to expand our R&D capabilities to capitalize on emerging trends such as energy efficiency. In particular, we seek to capitalize on the trend towards home automation through our continuous development of smart home electrical products such as fans, lights and curtains which feature apps-based operation and control in the switches and switchgear segment. See *“Our Business – Research and Development”* on page 204 for details on our R&D initiatives.



### **Strengthen brand recognition**

We intend to continue enhancing our brand awareness and customer loyalty through promotional and marketing efforts. We will seek to increase our visibility and brand recognition through increased advertising in print and social media and television campaigns and increased one-to-one interactions with our authorized distributors, authorized dealers and end-consumers. We will also strengthen our influencer activities targeted at retailers, electricians, contractors, consultants, builders, industrial customers and government agencies. At the retail outlets, we intend to enhance our point of sale activities and increasing our visibility through signage and displays.

We will also focus on continuing to protect our brand by strengthening our anti-counterfeiting strategy. This will include creating a stronger brand identity such as using the same logos, similar design and packaging consistently across our product lines and security features such as serial numbers to aid detection of counterfeit goods. For details on our intellectual property, see *“Our Business – Intellectual Property”* on page 206.

We believe that our strong presence in India and scale of operations allows us to increasingly focus on branding and promotional activities and enhance our visibility in the electrical products industry.

## **SUMMARY OF FINANCIAL INFORMATION**

*The summary financial information presented below should be read in conjunction with the “Financial Statements” and with respect to the Restated Consolidated Financial Statements, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 256 and 504 respectively.*

*[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]*

**RESTATED CONSOLIDATED IND AS BALANCE SHEET**

₹ in million

	As at June 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12,307.96	11,944.24	11,223.56	9,783.65
Capital work-in-progress	1,310.92	1,359.93	1,648.80	1,380.75
Intangible assets	21.79	27.00	60.30	66.64
Investment in Joint Venture	279.32	314.07	327.01	-
Financial assets				
a) Investments	1.20	1.40	1.14	0.87
b) Trade receivables	958.75	880.00	483.18	351.92
c) Other financial assets	61.97	61.16	59.65	39.03
Income tax assets (Net)	135.29	313.21	574.02	125.13
Deferred tax asset (Net)	-	0.10	0.70	-
Other non-current assets	448.35	312.46	349.38	481.53
	<b>15,525.55</b>	<b>15,213.57</b>	<b>14,727.74</b>	<b>12,229.52</b>
<b>Current assets</b>				
Inventories	17,002.97	13,656.92	15,198.15	9,804.17
Financial assets				
a) Trade receivables	10,284.68	12,693.59	11,734.22	13,248.24
b) Cash and cash equivalents	122.32	82.32	234.40	316.27
c) Bank balance other than included in cash and cash equivalents above	10.41	24.10	67.17	191.04
d) Loans	153.05	152.74	15.42	10.32
e) Other financial assets	190.03	184.58	211.24	59.19
Income Tax Assets (Net)	-	-	0.02	33.18
Other current assets	2,178.71	2,250.17	3,331.96	2,562.75
	<b>29,942.17</b>	<b>29,044.42</b>	<b>30,792.58</b>	<b>26,225.16</b>
Assets classified as held for disposal	0.12	2.70	7.46	6.68
	<b>29,942.29</b>	<b>29,047.12</b>	<b>30,800.04</b>	<b>26,231.84</b>
<b>Total Assets</b>	<b>45,467.84</b>	<b>44,260.69</b>	<b>45,527.78</b>	<b>38,461.36</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	1,412.06	1,412.06	1,412.06	1,412.06
Other Equity	22,829.56	22,079.73	18,523.37	16,415.82
	<b>24,241.62</b>	<b>23,491.79</b>	<b>19,935.43</b>	<b>17,827.88</b>
Non-controlling interests	42.71	40.49	30.51	27.97
	<b>24,284.33</b>	<b>23,532.28</b>	<b>19,965.94</b>	<b>17,855.85</b>
<b>Non-current liabilities:</b>				
Financial liabilities				
- Borrowings	1,329.55	1,589.49	1,617.65	1,008.54
Long Term Provisions	79.25	95.10	90.23	70.98
Deferred tax liabilities (Net)	531.44	553.47	657.39	210.60
Other non-current liabilities	215.49	182.19	194.63	103.42
	<b>2,155.73</b>	<b>2,420.25</b>	<b>2,559.90</b>	<b>1,393.54</b>
<b>Current liabilities:</b>				
Financial liabilities				
a) Borrowings	4,826.12	5,687.45	6,590.32	6,947.92
b) Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	71.50	77.70	74.40	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,888.90	9,143.17	13,468.31	10,565.83
c) Other current financial liabilities	1,285.96	1,163.41	796.63	310.62
Other current liabilities	1,018.44	1,036.34	1,474.26	1,071.92

	<b>As at June 30, 2018</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Short term Provisions	367.41	376.33	289.40	242.65
Current tax liabilities (Net)	569.45	823.76	308.62	73.03
	<b>19,027.78</b>	<b>18,308.16</b>	<b>23,001.94</b>	<b>19,211.97</b>
<b>Total Equity and Liabilities</b>	<b>45,467.84</b>	<b>44,260.69</b>	<b>45,527.78</b>	<b>38,461.36</b>

**RESTATED CONSOLIDATED IND AS INCOME STATEMENT**

*₹ in million*

	Three months period ended June 30, 2018	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
<b>Income</b>				
Revenue from operations	16,826.46	69,239.17	60,470.08	57,142.41
Other income	206.72	620.34	752.13	331.03
<b>Total Income</b>	<b>17,033.18</b>	<b>69,859.51</b>	<b>61,222.21</b>	<b>57,473.44</b>
<b>Expenses</b>				
Cost of materials consumed	12,310.34	47,747.40	41,577.11	35,594.54
Purchases of traded goods	652.79	2,412.29	1,945.92	3,065.47
Changes in Inventories of finished goods, traded goods and work-in-progress	(653.47)	674.51	(2,195.05)	(586.58)
Excise duty	-	1,446.47	5,468.91	5,118.02
Project bought outs and other cost	335.70	1,247.03	1,104.19	1,815.49
Employee benefits expense	711.84	2,592.55	2,290.98	2,060.61
Other expenses	1,741.00	5,710.73	5,478.55	5,167.11
Finance cost	371.68	936.80	659.49	1,473.52
Depreciation and amortisation expense	351.55	1,329.52	1,278.83	1,111.16
<b>Total Expenses</b>	<b>15,821.43</b>	<b>64,097.30</b>	<b>57,608.93</b>	<b>54,819.34</b>
<b>Profit before share of profit/(loss) of joint ventures</b>	<b>1,211.75</b>	<b>5,762.21</b>	<b>3,613.28</b>	<b>2,654.10</b>
Share of profit/(loss) of joint ventures (Net of tax)	(34.50)	1.06	(3.29)	-
<b>Profit before tax</b>	<b>1,177.25</b>	<b>5,763.27</b>	<b>3,609.99</b>	<b>2,654.10</b>
<b>Tax expenses</b>				
Current tax	446.06	2,175.14	835.59	755.03
Deferred tax (credit)/charge	(23.07)	(119.82)	446.93	52.07
<b>Total tax expense</b>	<b>422.99</b>	<b>2,055.32</b>	<b>1,282.52</b>	<b>807.10</b>
<b>Profit for the period</b>	<b>754.26</b>	<b>3,707.95</b>	<b>2,327.47</b>	<b>1,847.00</b>
<b>Profit for the period attributable to</b>				
Equity shareholders of parent company	752.04	3,702.47	2,324.93	1,847.90
Non controlling interests	2.22	5.48	2.54	(0.90)
	<b>754.26</b>	<b>3,707.95</b>	<b>2,327.47</b>	<b>1,847.00</b>
<b>Other Comprehensive Income</b>				
<b>A. Items that will be reclassified to profit or loss in subsequent periods</b>				
Exchange difference on translation of foreign operations	(4.35)	6.55	(2.45)	3.94
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>(4.35)</b>	<b>6.55</b>	<b>(2.45)</b>	<b>3.94</b>
<b>B. Items that will not be reclassified to profit or loss in subsequent periods</b>				
Re-measurement gains / (losses) on defined benefit plans	3.28	26.50	(2.41)	(32.97)

	<b>Three months period ended June 30, 2018</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
Income tax related to above item	(1.14)	(9.20)	0.84	11.41
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>2.14</b>	<b>17.30</b>	<b>(1.57)</b>	<b>(21.56)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(2.21)</b>	<b>23.85</b>	<b>(4.02)</b>	<b>(17.62)</b>
<b>Total Comprehensive Income for the period attributable to</b>				
Equity shareholders of parent company	749.83	3,726.32	2,320.91	1,830.29
Non controlling interests	2.22	5.48	2.54	(0.90)
	<b>752.05</b>	<b>3,731.81</b>	<b>2,323.45</b>	<b>1,829.39</b>
<b>Earnings per share</b>				
Basic and diluted earnings per share (₹)	5.33	26.22	16.46	13.09

**RESTATED CONSOLIDATED IND AS CASH FLOWS**

₹ in million

	<b>Three months period ended June 30, 2018</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>1,177.25</b>	<b>5,763.27</b>	<b>3,609.99</b>	<b>2,654.10</b>
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	351.55	1,329.52	1,278.83	1,111.16
Share of (profit)/loss of an associate and joint venture	34.50	(1.06)	3.29	-
(Gain)/Loss on disposal of property, plant and equipment	1.55	(49.00)	1.36	15.17
Finance income	(7.84)	(27.40)	(39.35)	(33.76)
Proceed of reserves on winding up of subsidiaries	-	-	(60.45)	-
Finance costs	371.68	936.80	659.49	1,473.52
Fair valuation of Financial asset	(82.51)	(8.60)	4.77	0.04
Provision for Bad debt	-	421.00	324.30	353.23
Preliminary expenditure written off	-	-	-	0.59
Impairment allowance for trade receivable considered doubtful	78.71	-	-	-
Unrealised foreign exchange differences	(12.77)	213.38	(140.63)	(64.38)
Fair value of written put options	-	55.00	-	-
Sundry advances written-off	-	8.01	64.38	2.67
<b>Operating profit before working capital changes</b>	<b>1,912.12</b>	<b>8,640.92</b>	<b>5,705.98</b>	<b>5,512.34</b>
<b>Movements in working capital:</b>				
(Increase)/decrease in trade receivables	2,437.10	(1,743.90)	1,036.12	(2,968.67)
(Increase)/decrease in other financial and non-financial assets	(106.69)	1,143.98	(974.22)	89.30
(Increase)/decrease in inventories	(3,346.02)	1,542.55	(5,393.90)	(899.85)
Increase /(decrease) in trade payables , other financial and non- financial liabilities and provisions	1,826.86	(4,552.40)	3,605.79	1,662.95
<b>Cash generated from operations</b>	<b>2,723.37</b>	<b>5,031.15</b>	<b>3,979.77</b>	<b>3,396.07</b>
Income tax paid (including TDS) (net)	(522.48)	(1,399.25)	(1,015.74)	(1,187.81)
<b>Net cash flows from operating activities (A)</b>	<b>2,200.89</b>	<b>3,631.90</b>	<b>2,964.03</b>	<b>2,208.26</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment	-	155.60	11.82	29.23
Purchase of property, plant and equipment (including CWIP)	(752.45)	(1,992.32)	(2,791.82)	(2,492.86)
Investment in equity shares of subsidiaries and Joint Venture		1.06	(327.01)	-
Share of (profit)/loss of Joint Venture	(34.50)	-	-	-
Proceed of reserves on winding up of subsidiaries		-	60.45	-
Proceeds/(Repayment) loan from/to subsidiaries	0.12			

	Three months period ended June 30, 2018	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Proceeds from sale of Mutual funds	0.20			
Loans and advances to related parties		(393.74)	(5.23)	(2.00)
Repayment of Loans and advances by related parties		258.93	-	0.94
Maturity/ (Investment) made in bank deposits (having original maturity of more than 3 months)	13.26	58.80	112.22	(110.28)
Interest received (finance income)	7.91	30.47	41.92	31.91
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(765.46)</b>	<b>(1,881.20)</b>	<b>(2,897.65)</b>	<b>(2,543.06)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest paid	(380.40)	(943.63)	(670.35)	(1,487.29)
Issue of shares	-	-	-	28.90
Proceeds from long term borrowings	(139.63)	343.02	997.12	1,016.39
Proceeds/(Repayment) from short term borrowings	(846.70)	(1,132.21)	(248.04)	1,158.38
Payment of dividend and Dividend distribution tax	(28.70)	(169.96)	(177.14)	(261.48)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(1,395.43)</b>	<b>(1,902.78)</b>	<b>(98.41)</b>	<b>454.90</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>40.00</b>	<b>(152.08)</b>	<b>(32.03)</b>	<b>120.10</b>
Cash and cash equivalents at the beginning of the year / period	82.32	234.40	316.27	193.97
Dissolution of Jaisingh wires FZE	-	-	(47.39)	-
Effect of Exchange differences in cash and cash equivalents in foreign currency	-	-	(2.45)	2.20
<b>Cash and cash equivalents at the end</b>	<b>122.32</b>	<b>82.32</b>	<b>234.40</b>	<b>316.27</b>
<b>Non-cash investing and financing transaction</b>				
Gain/(loss) on fair valuation of Financial asset	12.33	3.56	(4.80)	0.04
Gain/(loss) on fair valuation of Financial liability	(14.64)	(290.12)	148.60	64.38



## NON-IND AS FINANCIAL MEASURES

The following table sets forth a reconciliation of our Consolidated EBITDA to our profit for the year / period<sup>^</sup>:

*₹ in million*

	Three months period ended June 30, 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
Profit for the year / period <sup>^</sup>	754.26	3,707.95	2,327.47	1,847.00
Add:				
Depreciation and amortization expense	351.55	1,329.52	1,278.83	1,111.16
Finance cost	371.68	936.80	659.49	1,473.52
Tax expenses	422.99	2,055.32	1,282.52	807.10
<b>EBITDA (A)</b>	<b>1,900.48</b>	<b>8,029.59</b>	<b>5,548.31</b>	<b>5,238.78</b>
<b>EBITDA % Margin</b>				
Total Income	17033.18	69,859.51	61,222.21	57,473.44
Less: Excise Duty	-	(1,446.47)	(5,468.91)	(5,118.02)
<b>Net Total Income (B)</b>	<b>17033.18</b>	<b>68,413.04</b>	<b>55,753.30</b>	<b>52,355.42</b>
<b>EBIDTA Margin (A)/(B)*100</b>	<b>11.16</b>	<b>11.74</b>	<b>9.95</b>	<b>10.01</b>

<sup>^</sup>Profit for the year / period represents profit after tax for the year / period.

EBITDA is a supplemental measure of performance that is not required by, nor presented in accordance with, Ind AS. EBITDA is not a measurement of financial performance or liquidity under Ind AS, and should not be considered as an alternative to profit or any other performance measures derived in accordance with Ind AS, nor as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDA is not a standardized term, hence, a direct comparison between companies using this term may not be possible. We present EBITDA because we believe that it is frequently used by securities analysts, investors and other interest parties in evaluating companies in our industry, many of whom present such non-GAAP measures when reporting their results. We believe that EBITDA facilitates comparisons of our performance from period to period by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (affecting income tax expense) and the age and booked depreciation and amortization of assets (affecting depreciation and amortisation).

**CONSOLIDATED INDIAN GAAP BALANCE SHEET**

₹ in million

	March 31, 2015	March 31, 2014
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	1,412.06	706.03
Reserves and surplus	14,891.08	14,119.25
	<b>16,303.14</b>	<b>14,825.28</b>
<b>Non-current liabilities</b>		
Deferred tax liability (net)	219.59	282.67
Long-term provisions	62.83	38.66
	<b>282.42</b>	<b>321.33</b>
<b>Current liabilities</b>		
Short-term borrowing	5,455.04	4,577.32
Trade payables	9,631.59	6,598.77
Other current liabilities	873.88	984.73
Short-term provisions	593.15	321.52
	<b>16,553.66</b>	<b>12,482.34</b>
	<b>33,139.22</b>	<b>27,628.95</b>
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
Tangible assets	8,173.56	7,487.16
Intangible assets	50.90	12.39
Capital work-in-progress	1,793.98	1,157.30
Goodwill on Consolidation	-	1.47
Non-current investments	0.20	0.20
Trade receivables	68.27	-
Long-term loans and advances	534.62	457.25
Other non-current assets	12.58	67.15
	<b>10,634.11</b>	<b>9,182.92</b>
<b>Current assets</b>		
Inventories	9,039.81	6,022.48
Trade receivables	10,809.79	9,578.22
Cash and bank balances	269.84	499.24
Short-term loans and advances	2,189.53	2,225.07
Other current assets	196.14	121.02
	<b>22,505.11</b>	<b>18,446.03</b>
	<b>33,139.22</b>	<b>27,628.95</b>

**CONSOLIDATED INDIAN GAAP INCOME STATEMENT**

₹ in million

	March 31, 2015	March 31, 2014
<b>Income</b>		
Revenue from operations (gross)	51,127.93	44,078.72
Less: Excise duty	4,053.18	4,218.71
Revenue from operations (net)	47,074.75	39,860.01
Other income	49.84	79.75
<b>Total Revenue (I)</b>	<b>47,124.59</b>	<b>39,939.76</b>
<b>Expenses</b>		
Cost of raw materials consumed	33,721.25	30,682.49
Purchase of traded goods	2,166.67	912.45
Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap	(1,193.31)	(315.91)
Project bought outs and other costs	1,405.94	-
Employee benefits expense	1,618.87	1,311.61
Other expenses	4,938.27	4,277.99
<b>Total Expenses (II)</b>	<b>42,657.69</b>	<b>36,868.63</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)</b>	<b>4,466.90</b>	<b>3,071.13</b>
Depreciation and amortisation expense	975.34	708.66
Finance costs	1,084.60	937.95
<b>Profit before tax</b>	<b>2,406.96</b>	<b>1,424.52</b>
<b>Tax expenses</b>		
For the current year		
Current tax	826.93	402.87
Deferred tax charge/(credit)	(63.07)	128.66
<b>Total tax expense</b>	<b>763.86</b>	<b>531.53</b>
<b>Profit for the Year</b>	<b>1,643.10</b>	<b>892.99</b>
<b>Earnings per equity share</b>		
<b>(nominal value of share ₹ 10)</b> (March 31, 2014: ₹ 10)		
Basic (₹)	11.64	6.32
Diluted (₹)	11.64	6.32

**CONSOLIDATED INDIAN GAAP CASH FLOWS**

₹ in million

	Year ended March 31, 2015	Year ended March 31, 2014
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>2,406.96</b>	<b>1,424.52</b>
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	975.34	708.66
Loss/(profit) on sale of fixed assets	(0.12)	0.06
Bad debts written-off and Provision for doubtful debts (net)	340.20	441.21
Provision for doubtful advances (net)	42.94	8.29
Sundry balances written back	0.53	0.32
Sundry balances written off	7.93	11.69
Fixed assets discarded	7.19	39.06
Amortised premium on Forward Contract	-	41.09
Unrealized foreign exchange (gain)/loss (net)	41.58	(49.54)
Preliminary expenditure written off	0.16	0.16
Amount of foreign currency translation reserve	2.26	(1.11)
Finance cost	1,084.60	937.95
Interest income	(21.47)	(23.44)
<b>Operating profit before working capital changes</b>	<b>4,888.10</b>	<b>3,538.92</b>
Movements in working capital:		
(Increase) / Decrease in trade receivables	(1,567.20)	1,894.77
Decrease in loans and advances and other assets	(59.20)	(1,170.83)
Decrease in inventories	(3,017.55)	196.88
Increase in trade payables, other liabilities and provisions	1,856.66	(1,024.21)
<b>Cash generated from operations</b>	<b>2,100.81</b>	<b>3,435.52</b>
Direct tax paid (net of refunds)	(597.64)	(338.85)
<b>Net cash from operating activities (A)</b>	<b>1,503.17</b>	<b>3,096.68</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work-in-progress and capital advances)	(2,036.31)	(1,051.83)
Proceeds from sale of fixed assets	10.97	2.19
Interest received	13.20	20.18
Loans given to others	-	(70.00)
Loan repaid by others	74.95	15.00
Maturity of bank deposits (having original maturity of more than 3 months)	207.23	(8.15)
<b>Net cash used in investing activities (B)</b>	<b>(1,729.96)</b>	<b>(1,092.61)</b>
<b>Cash flows from financing activities</b>		
Interest and bank charges paid	(1,031.51)	(911.73)
Issue of Shares	0.05	-
Repayment of short-term borrowings	(11,901.61)	(13,347.46)
Proceeds from short-term borrowings	13,147.09	12,179.78
Loan taken from others	12.96	-
Loan repaid to others	(0.18)	(4.49)
Unsecured loans received during the year (Directors and others)	0.02	162.00
Unsecured loans repaid during the year (Directors and others)	84.24	(38.38)
Dividend paid (including tax thereon)	(165.20)	-
<b>Net cash used in financing activities (C)</b>	<b>145.86</b>	<b>(1,960.28)</b>
<b>Net Increase in cash and cash equivalents (A + B + C)</b>	<b>(80.93)</b>	<b>43.79</b>
Cash and cash equivalents on account of acquisition during the year	-	0.58
Cash and cash equivalents at the beginning of the year	274.85	230.48
	<b>193.92</b>	<b>274.85</b>
Less : Not Considered as Cash & cash equivalent		
<b>Cash and cash equivalents at the end of the year</b>	<b>193.92</b>	<b>274.85</b>

	Year ended March 31, 2015	Year ended March 31, 2014
<b>Components of Cash and cash equivalents</b>		
Cash on hand	4.89	15.27
Cheques on hand	3.99	-
<b>Balances with scheduled banks</b>		
On current accounts	184.09	258.61
On deposit accounts	0.95	0.98
	<b>193.92</b>	<b>274.86</b>
<b>Cash and Bank balance</b>	<b>269.84</b>	<b>499.24</b>
<b>Less :</b>		
Deposits with original maturity for more than 12 months	20.18	128.26
Deposits with original maturity for more than 3 months but less than 12 months	55.73	96.12
Margin money deposit	0.01	-
	<b>193.92</b>	<b>274.86</b>
<b>Total cash and cash equivalents</b>	<b>193.92</b>	<b>274.86</b>

**RESTATED UNCONSOLIDATED IND AS BALANCE SHEET**

₹ in million

	As at June 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12,110.23	11,772.33	11,065.32	9,777.57
Capital work-in-progress	1,299.37	1,353.96	1,648.76	1,316.68
Intangible assets	21.83	27.04	60.25	66.59
Financial assets				
a) Investments	385.57	386.02	369.96	42.52
b) Trade receivables	958.75	880.00	483.18	351.92
c) Other financial assets	57.79	57.40	57.42	38.39
Income tax assets (Net)	127.66	303.53	566.89	125.12
Other non-current assets	439.87	302.10	349.30	476.01
	<b>15,401.07</b>	<b>15,082.38</b>	<b>14,601.08</b>	<b>12,194.80</b>
<b>Current assets</b>				
Inventories	16,916.18	13,559.00	15,173.24	9,799.35
Financial assets				
a) Trade receivables	10,309.84	12,697.89	11,723.91	13,253.23
b) Cash and cash equivalents	104.08	67.50	213.92	259.97
c) Bank balance other than included in cash and cash equivalents above	10.39	24.10	67.17	188.91
d) Loans	167.68	168.80	21.91	128.61
e) Other financial assets	189.90	184.30	210.85	70.16
Income Tax Assets (Net)	-	-	-	33.18
Other current assets	2,161.49	2,228.18	3,327.96	2,560.93
	29,859.56	28,929.77	30,738.96	26,294.34
Assets classified as held for disposal	0.12	2.70	7.46	6.68
	<b>29,859.68</b>	<b>28,932.47</b>	<b>30,746.42</b>	<b>26,301.02</b>
<b>Total Assets</b>	<b>45,260.75</b>	<b>44,014.85</b>	<b>45,347.50</b>	<b>38,495.82</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity Share Capital	1,412.06	1,412.06	1,412.06	1,412.06
Other Equity	22,866.60	22,081.88	18,528.18	16,378.68
	<b>24,278.66</b>	<b>23,493.94</b>	<b>19,940.24</b>	<b>17,790.74</b>
<b>Non-current liabilities:</b>				
Financial liabilities				
- Borrowings	1,246.32	1,517.70	1,535.78	994.33
Long Term Provisions	79.25	95.10	90.23	70.98
Deferred tax liabilities (net)	529.80	552.19	657.17	210.81
Other non-current liabilities	215.49	182.19	194.63	103.42
	<b>2,070.86</b>	<b>2,347.18</b>	<b>2,477.81</b>	<b>1,379.54</b>
<b>Current liabilities:</b>				
Financial liabilities				
a) Borrowings	4,807.66	5,669.00	6,573.71	6,947.88
b) Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	71.50	77.70	74.40	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,821.80	9,067.11	13,439.84	10,687.31
c) Other current financial liabilities	1,260.06	1,137.50	780.56	307.84
Other current liabilities	1,015.29	1,023.45	1,469.60	1,066.83
Short term Provisions	367.41	375.77	283.40	242.65

	<b>As at June 30, 2018</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Current tax liabilities (net)	567.51	823.20	307.94	73.03
	<b>18,911.23</b>	<b>18,173.73</b>	<b>22,929.45</b>	<b>19,325.54</b>
<b>Total Equity and liabilities</b>	<b>45,260.75</b>	<b>44,014.85</b>	<b>45,347.50</b>	<b>38,495.82</b>

**RESTATED UNCONSOLIDATED IND AS INCOME STATEMENT**

₹ in million

	<b>Three months period ended June 30, 2018</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
<b>Income</b>				
Revenue from operations	16,779.06	69,114.05	60,451.03	57,146.75
Other income	203.30	647.29	750.96	335.31
<b>Total Income</b>	<b>16,982.36</b>	<b>69,761.34</b>	<b>61,201.99</b>	<b>57,482.06</b>
<b>Expenses</b>				
Cost of materials consumed	12,274.09	47,697.00	41,619.23	35,849.52
Purchases of traded goods	652.79	2,412.29	1,945.92	2,827.57
(Increase)/Decrease in Inventories of finished goods, traded goods and work-in-progress	(638.70)	702.08	(2,193.48)	(586.61)
Excise duty	-	1,437.51	5,448.89	5,118.02
Project bought outs and other cost	335.70	1,247.03	1,108.06	1,815.55
Employee benefits expense	704.83	2,561.54	2,266.60	2,038.94
Other expenses	1,731.94	5,698.77	5,484.15	5,162.68
Finance cost	369.36	921.70	652.18	1,473.46
Depreciation and amortisation expense	348.61	1,319.65	1,274.23	1,111.20
<b>Total Expenses</b>	<b>15,778.62</b>	<b>63,997.57</b>	<b>57,605.78</b>	<b>54,810.33</b>
<b>Profit before tax</b>	<b>1,203.74</b>	<b>5,763.77</b>	<b>3,596.21</b>	<b>2,671.73</b>
<b>Tax expenses</b>				
Current tax	444.69	2,171.59	827.98	755.03
Deferred tax (credit)/charge	(23.53)	(114.18)	447.20	52.07
<b>Total tax expense</b>	<b>421.16</b>	<b>2,057.41</b>	<b>1,275.18</b>	<b>807.10</b>
<b>Profit for the period</b>	<b>782.58</b>	<b>3,706.36</b>	<b>2,321.03</b>	<b>1,864.63</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Re-measurement gains / (losses) on defined benefit plans	3.28	26.50	(2.41)	(32.97)
Income tax related to above item	(1.14)	(9.20)	0.84	11.41
<b>Other comprehensive income for the period, net of tax</b>	<b>2.14</b>	<b>17.30</b>	<b>(1.57)</b>	<b>(21.56)</b>
<b>Total Comprehensive Income for the period</b>	<b>784.72</b>	<b>3,723.66</b>	<b>2,319.46</b>	<b>1,843.07</b>
<b>Earnings per share</b>				
Basic and diluted earnings per share (₹)	<b>5.54</b>	<b>26.25</b>	<b>16.44</b>	<b>13.21</b>



**RESTATED UNCONSOLIDATED IND AS CASH FLOWS**

₹ in million

	<b>Three month period ended June 30, 2018</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>1,203.74</b>	<b>5,763.77</b>	<b>3,596.21</b>	<b>2,671.73</b>
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation of property, plant and equipment	348.61	1,319.65	1,274.23	1,111.20
(Gain)/Loss on disposal of property, plant and equipment	1.55	(80.60)	1.36	14.76
Finance income	(8.35)	(28.20)	(39.16)	(38.03)
Proceed of reserves on winding up of subsidiaries	-	-	(60.45)	-
Finance costs	369.36	921.70	652.18	1473.46
Fair valuation of Financial asset	(82.51)	(8.60)	4.80	-
Liabilities / provisions no longer required written back	-	-	-	-
Impairment allowance for trade receivable considered doubtful	78.71	421.00	324.30	359.62
Unrealised foreign exchange differences	(12.77)	213.38	(140.63)	(64.38)
Fair value of written put option	-	55.00	-	-
Sundry advances written-off	-	8.00	64.26	0.36
<b>Operating profit before working capital changes</b>	<b>1,898.34</b>	<b>8,585.10</b>	<b>5,677.10</b>	<b>5528.72</b>
<b>Movements in working capital:</b>				
(Increase)/decrease in trade receivables	2,429.48	(1,804.89)	1,051.47	(2,980.02)
(Increase)/decrease in other financial and non-financial assets	(93.40)	1,151.36	(969.83)	97.20
(Increase)/decrease in inventories	(3,357.18)	1,614.24	(5,373.89)	(888.58)
Increase /(decrease) in trade payables , other financial and non- financial liabilities and provisions	1,853.86	(4,633.55)	3,448.20	1,640.59
<b>Cash generated from operations</b>	<b>2,731.10</b>	<b>4,912.26</b>	<b>3,833.05</b>	<b>3397.91</b>
Income tax paid (including TDS) (net)	(524.51)	(1,392.97)	(1,001.66)	(1,187.81)
<b>Net cash flows from operating activities (A)</b>	<b>2,206.59</b>	<b>3,519.29</b>	<b>2,831.39</b>	<b>2210.10</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment including assets held for disposal	-	155.60	11.82	29.23
Purchase of property, plant and equipment (including Capital work in progress) including Intangible asset	(720.08)	(1,870.08)	(2,701.76)	(2,419.47)
Proceeds from sale of Mutual funds	0.18	-	-	-
Investment in equity shares of subsidiaries	-	(5.50)	(330.31)	(28.57)
Proceed of equity on winding up of subsidiaries	-	-	3.13	-
Receipt of proceed on winding up of subsidiaries	-	-	60.45	-

	<b>Three month period ended June 30, 2018</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
Loans and advances to subsidiaries and joint venture	-	(413.70)	111.90	(12.41)
Repayment of Loans and advances by subsidiaries and joint venture	1.55	262.80	(5.23)	0.93
Maturity/ (Investment) made in bank deposits (having original maturity of more than 3 months)	13.70	60.42	110.29	(107.62)
Interest received (finance income)	8.36	31.20	52.99	25.06
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(696.29)</b>	<b>(1,779.26)</b>	<b>(2,686.72)</b>	<b>(2,512.85)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest paid	(338.38)	(928.47)	(663.47)	(1487.22)
Proceeds from long term borrowings	-	679.59	914.49	986.57
Repayment from long term borrowings	(259.90)	(333.56)	-	-
Proceeds/(Repayment) from short term borrowings	(846.69)	(1,134.05)	(264.60)	1,167.97
Payment of dividend and Dividend distribution tax	(28.75)	(169.96)	(177.14)	(261.48)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(1,473.72)</b>	<b>(1,886.45)</b>	<b>(190.72)</b>	<b>405.84</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>36.58</b>	<b>(146.42)</b>	<b>(46.05)</b>	<b>103.09</b>
Cash and cash equivalents at the beginning of the year	67.50	213.92	259.97	156.88
<b>Cash and cash equivalents at the end</b>	<b>104.08</b>	<b>67.50</b>	<b>213.92</b>	<b>259.97</b>
<b>Non-cash investing and financing transaction</b>				
Gain/(loss) on fair valuation of Financial asset	12.33	3.56	(4.80)	0.04
Gain/(loss) on fair valuation of Financial liability	(14.64)	(290.12)	148.60	64.38

**UNCONSOLIDATED INDIAN GAAP BALANCE SHEET**

₹ in million

	March 31, 2015	March 31, 2014
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	1,412.06	706.03
Reserves and surplus	14,841.40	12,941.75
	16,253.46	13,647.78
<b>Non-current liabilities</b>		
Deferred tax liability (net)	219.61	248.76
Long-term provisions	62.83	31.99
	282.44	280.75
<b>Current liabilities</b>		
Short-term borrowings	5,454.49	4,449.13
Trade payables	9,797.31	6,145.48
Other current liabilities	871.91	905.87
Short-term provisions	593.15	292.31
	<b>16,716.86</b>	<b>11,792.79</b>
	<b>33,252.76</b>	<b>25,721.32</b>
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
Tangible assets	8,173.22	6,913.95
Intangible assets	50.89	12.38
Capital work-in-progress	1,792.10	1,134.57
Non-current investments	19.78	129.34
Trade receivables	68.27	-
Long-term loans and advances	534.47	1,196.54
Other non-current assets	11.77	67.03
	<b>10,650.50</b>	<b>9,453.81</b>
<b>Current assets</b>		
Inventories	9,046.11	5,780.26
Trade receivables	10,809.80	8,244.06
Cash and bank balances	232.73	270.90
Short-term loans and advances	2,317.48	1,853.37
Other current assets	196.14	118.92
	<b>22,602.26</b>	<b>16,267.51</b>
	<b>33,252.76</b>	<b>25,721.32</b>

**UNCONSOLIDATED INDIAN GAAP INCOME STATEMENT**

₹ in million

	<b>March 31, 2015</b>	<b>March 31, 2014</b>
<b>Income</b>		
Revenue from operations (gross)	51,027.90	42,384.61
Less: Excise duty	4,053.18	4,055.14
Revenue from operations (net)	46,974.72	38,329.47
Other income	53.85	75.47
<b>Total Revenue (I)</b>	<b>47,028.57</b>	<b>38,404.94</b>
<b>Expenses</b>		
Cost of raw materials consumed	33,714.95	30,075.48
Purchase of traded goods	2,133.98	68.53
Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap	(1,193.32)	(185.12)
Project bought outs and other costs	1,405.94	-
Employee benefits expense	1,596.20	1,139.38
Other expenses	4,976.48	4,439.62
<b>Total Expenses (II)</b>	<b>42,634.23</b>	<b>35,537.89</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)</b>	<b>4,394.34</b>	<b>2,867.05</b>
Depreciation and amortisation expense	974.85	633.04
Finance costs	1,076.70	904.63
<b>Profit before tax</b>	<b>2,342.79</b>	<b>1,329.38</b>
<b>Tax expenses</b>		
For the current year		
Current tax	834.81	333.67
Deferred tax charge/(credit)	(63.03)	141.37
<b>Total tax expense</b>	<b>771.78</b>	<b>475.04</b>
<b>Profit for the Year</b>	<b>1,571.01</b>	<b>854.34</b>
<b>Earnings per equity share (nominal value of share ₹ 10) (March 31, 2014: ₹ 10)</b>		
Basic (₹)	11.13	6.05
Diluted (₹)	11.13	6.05

**UNCONSOLIDATED INDIAN GAAP CASH FLOWS**

₹ in million

	March 31, 2015	March 31, 2014
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>2,342.79</b>	<b>1,329.38</b>
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	974.85	633.04
Loss/(profit) on sale of fixed assets	(0.12)	0.16
Bad debts written-off and Provision for doubtful debts (net)	340.20	440.77
Provision for doubtful advance (net)	42.94	25.20
Sundry balances written-back	(0.52)	0.00
Sundry balances written-off	7.93	11.69
Fixed assets discarded	7.19	38.88
Amortised premium on Forward Contract	-	41.09
Unrealized foreign exchange (gain)/loss (net)	50.15	(57.84)
Finance cost	1,076.70	904.63
Interest income	(25.50)	(48.99)
Dividend income	-	-
<b>Operating profit before working capital changes</b>	<b>4,816.62</b>	<b>3,318.01</b>
Movements in working capital:		
(Increase) /decrease in trade receivables	(1,573.32)	1,202.69
(Increase) / decrease in loans and advances and other assets	(473.34)	(951.61)
(Increase) /decrease in inventories	(3,017.54)	344.29
(Decrease)/ increase in trade payables, other liabilities and provisions	2,386.04	(270.56)
<b>Cash generated from operations</b>	<b>2,138.46</b>	<b>3,642.82</b>
Direct tax paid (net of refunds)	(597.64)	(285.43)
<b>Net cash flow from operating activities (A)</b>	<b>1,540.82</b>	<b>3,357.39</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work-in-progress and capital advances)	(2,040.63)	(1,040.51)
Proceeds from sale of fixed assets	10.97	1.60
Dividend received from subsidiary Company	-	-
Investment in equity shares of subsidiaries	(9.43)	(12.00)
Interest received	14.89	48.76
Maturity of bank deposits (having original maturity of more than 3 months)	207.23	54.00
Loans and advances to subsidiaries (net)	(13.64)	(308.83)
Loans given to others	-	(70.00)
Loans repaid by others	74.95	15.00
<b>Net cash used in investing activities (B)</b>	<b>(1,755.66)</b>	<b>(1,311.98)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,019.59)	(870.03)
Proceeds from short-term borrowings	13,147.09	12,148.00
Repayment of short-term borrowings	(11,901.61)	(13,324.75)
Loan repaid to others	12.78	(4.49)
Unsecured loans taken (Directors and their relatives)	0.02	24.40
Unsecured loans repaid (Directors and their relatives)	84.24	(24.42)
Dividend paid (including tax thereon)	(165.20)	-
<b>Net cash used in financing activities (C)</b>	<b>157.73</b>	<b>(2,051.29)</b>
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>(57.11)</b>	<b>(5.88)</b>
Cash and cash equivalents at the beginning of the year	142.64	142.37
Cash and cash equivalents acquired on amalgamation	71.28	6.15
<b>Cash and cash equivalents at the end of the year</b>	<b>156.81</b>	<b>142.64</b>
<b>Components of Cash and cash equivalents</b>		

	March 31, 2015	March 31, 2014
Cash on hand	4.88	1.84
Cheques on hand	3.99	11.79
<b>Balances with banks</b>		
On current accounts	146.99	128.98
On deposit accounts	0.95	0.03
	156.81	142.64
<b>Components of Cash and cash equivalents</b>	<b>232.73</b>	<b>270.90</b>
<b>Less :</b>		
Deposits with original maturity for more than 12 months	20.18	128.25
Deposits with original maturity for more than 3 months but less than 12 months	55.73	-
Margin money deposit	0.01	0.01
	156.81	142.64
Total cash and cash equivalents	156.81	142.64

## THE OFFER

The following table sets forth details of the Offer:

<b>Offer of Equity Shares</b>	Up to [●] Equity Shares aggregating up to ₹ [●] million
<i>of which</i>	
Fresh Issue <sup>(1)</sup>	Up to [●] Equity Shares, aggregating up to ₹ 5,000 million
Offer for Sale <sup>(2)</sup>	Up to 24,886,823 Equity Shares, aggregating up to ₹ [●] million
<i>The Offer consists of:</i>	
<i>Employee Reservation Portion</i> <sup>(4)</sup>	Up to [●] Equity Shares, aggregating up to ₹ [●] million
<i>Net Offer</i>	
<i>The Net Offer consists of:</i>	
A) <b>QIB portion</b> <sup>(3)(4)</sup>	Not more than [●] Equity Shares
<i>of which</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	Up to [●] Equity Shares
Balance of QIB Portion (excluding the Anchor Investor Portion) for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) <b>Non-Institutional Portion</b> <sup>(3)(4)</sup>	Not less than [●] Equity Shares
C) <b>Retail Portion</b> <sup>(3)(4)</sup>	Not less than [●] Equity Shares
<b>Pre and post Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer	141,205,838 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
<b>Utilisation of proceeds</b>	For details, see “Objects of the Offer” on page 114 for information about the use of proceeds from the Fresh Issue.

<sup>(1)</sup> The Fresh Issue has been authorised by our Board of Directors and our Shareholders, pursuant to their resolutions, passed at their respective meetings, each dated September 20, 2018.

<sup>(2)</sup> The Selling Shareholders, severally and not jointly, specifically confirm that their respective portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations. Further, the Selling Shareholders, severally and not jointly, have authorised their respective participation in the Offer for Sale. For details, see “Other Regulatory and Statutory Disclosures” on page 542.

Sr. No.	Selling Shareholders	Maximum number of Offered Shares	Date of Consent Letter
1.	IFC	Up to 10,588,223 Offered Shares	October 29, 2018
2.	Inder T. Jaisinghani	Up to 2,843,000 Offered Shares	October 30, 2018
3.	Ajay T. Jaisinghani	Up to 2,819,000 Offered Shares	October 30, 2018
4.	Ramesh T. Jaisinghani	Up to 2,819,000 Offered Shares	October 30, 2018
5.	Girdhari T. Jaisinghani	Up to 2,829,000 Offered Shares	October 30, 2018
6.	Bharat A. Jaisinghani	Up to 720,300 Offered Shares	October 30, 2018
7.	Nikhil R. Jaisinghani	Up to 720,300 Offered Shares	October 30, 2018
8.	Anil H. Hariani	Up to 698,000 Offered Shares	October 30, 2018
9.	Ramakrishnan Ramamurthi	Up to 850,000 Offered Shares	October 30, 2018
	<b>Total</b>		<b>Up to 24,886,823 Offered Shares</b>

<sup>(3)</sup> Our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation price in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Post-allocation to Anchor Investors, the QIB Portion will be reduced by such number of Equity Shares. [●] Equity Shares (representing 5% of the Net QIB 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. However, if the aggregate demand from the Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. For further details, see "Offer Procedure" beginning on page 573.

- (4) Subject to valid Bids received at or above 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 combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the Lead Managers and the Designated Stock Exchange. 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 not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum subscription of 90% of the Fresh Offer, Equity Shares offered pursuant to the Offer for Sale shall be allocated prior to allocation of the balance number of Equity Shares offered pursuant to the Fresh Issue.

Allocation to investors in all categories, except the Retail Portion and the Anchor Investor 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 Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

For details, including in relation to grounds for rejection of Bids, see "Offer Structure" and "Offer Procedure" on pages 570 and 573 respectively. For details of the terms of the Offer, see "Terms of the Offer" on page 565.



## GENERAL INFORMATION

Our Company was incorporated as ‘Polycab Wires Private Limited’ on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word ‘private’ was struck off from the name of our Company with effect from June 30, 2000. Thereafter, our Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word ‘private’ was added in the name of our Company with effect from June 15, 2001. Subsequently, our Company was converted into a public limited company, the word ‘private’ was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana (“RoC”), recording the change of our Company’s name to ‘Polycab Wires Limited’. Thereafter, the name of our Company was changed from ‘Polycab Wires Limited’ to ‘Polycab India Limited’, and a fresh certificate of incorporation dated October 13, 2018 was issued by the RoC.

For details of changes in the name and Registered Office, see “*History and Certain Corporate Matters*” beginning on page 212. For details of the business of our Company, see “*Our Business*” beginning on page 181.

### Registered Office

#### Polycab India Limited

E-554, Greater Kailash – II

New Delhi 110 048

Tel: +91 11 2922 8574

Fax: +91 11 4105 4838

E-mail: investor.relations@polycab.com

Website: www.polycab.com

Corporate Identity Number: U31300DL1996PLC266483

Registration Number: 266483

### Corporate Office

#### Polycab India Limited

Polycab House

771, Mogul Lane

Mahim (West)

Mumbai 400 016

Tel: +91 22 2432 7074

Fax: +91 22 2432 7075

### Address of the RoC

Our Company is registered with the RoC situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019.

### Board of Directors

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

Name	Designation	DIN	Address
Inder T. Jaisinghani	Chairman and Managing Director	00309108	1401/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
Ajay T. Jaisinghani	Whole-Time Director	00276588	1301/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
Ramesh T. Jaisinghani	Whole-Time Director	00309314	701/2, Salisbury Park 82, Palimala Road, Pali Hill, Bandra (West), Mumbai 400 050
Shyam Lal Bajaj	Chief Financial Officer and Whole-Time Director	02734730	Flat No. 1601, 16th Floor, Mahindra Angelica, S.V. Road, Goregaon (West), Mumbai 400 062
Radhey Shyam Sharma	Independent Director	00013208	B3-1102, The World Spa – West, Sector-30, Gurgaon 122 001
Tilokchand Punamchand Ostwal	Independent Director	00821268	103, Falcons Crest, G D Ambedkar Marg, Parel, Mumbai 400 012
Pradeep N. Poddar	Independent Director	00025199	222, Mont Blanc, A.K. Marg, Shalimar Hotel, Kemps Corner, Mumbai 400 026
Hiroo Mirchandani	Independent Director	06992518	Flat 1601, Ireo Uptown, Sector 66, Near St. Xaviers High School, Golf Course Extension Road, Gurgaon 122 001

For further details of our Directors, see “*Our Management*” on page 226.

### **Company Secretary & Compliance Officer**

#### **Sai Subramaniam Narayana**

Polycab House  
771, Mogul Lane  
Mahim (West)  
Mumbai 400 016  
Tel: +91 22 2432 7074  
Fax: +91 22 2432 7075  
E-mail: investor.relations@polycab.com

### **Selling Shareholders**

Our Selling Shareholders are namely, IFC, Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani, Girdhari T. Jaisinghani, Bharat A. Jaisinghani, Nikhil R. Jaisinghani, Anil H. Hariani and Ramakrishnan Ramamurthi.

### **Investor grievances**

**Investors can contact the Company Secretary and Compliance Officer, the Lead Managers, the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, refund orders, unblocking of funds and non-receipt of funds by electronic mode.**

All Offer related grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove.

### **Global Co-ordinators and Book Running Lead Managers**

#### **Kotak Mahindra Capital Company Limited**

1st Floor, 27 BKC  
Plot no. 27, ‘G’ Block  
Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051  
Telephone: +91 22 4336 0000  
Fax: +91 22 6713 2445  
E-mail: polycab.ipo@kotak.com  
Investor Grievance E-mail: kmccredressal@kotak.com  
Website: www.investmentbank.kotak.com  
Contact Person: Ganesh Rane  
SEBI Registration No.: INM000008704

#### **Axis Capital Limited**

1st Floor, Axis House  
C 2, Wadia International Centre  
Pandurang Budhkar Marg  
Worli  
Mumbai 400 025  
Tel: +91 22 4325 2183  
Fax: +91 22 4325 3000  
E-mail: polycab.ipo@axiscap.in  
Investor Grievance E-mail: complaints@axiscap.in  
Website: www.axiscapital.co.in  
Contact Person: Mangesh Ghogle  
SEBI Registration No.: INM000012029

#### **Citigroup Global Markets India Private Limited**

1202, 12th Floor, First International Financial Centre  
G-Block, C54 & 55, Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 098  
Tel: +91 22 6175 9999  
Fax: +91 22 6175 9898  
E-mail: polycab.ipo@citi.com  
Investor grievance e-mail: investors.cgmb@citi.com  
Website:  
www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm  
Contact Person: Archit Khemka  
SEBI Registration No.: INM000010718

#### **Edelweiss Financial Services Limited**

14th Floor, Edelweiss House  
Off. C.S.T. Road  
Kalina  
Mumbai 400 098  
Tel: +91 22 4009 4400  
Fax: +91 22 4086 3610  
E-mail: polycab.ipo@edelweissfin.com  
Investor Grievance E-mail:  
customerservice.mb@edelweissfin.com  
Website: www.edelweissfin.com  
Contact Person: Shubham Mehta / Mohit Kapoor  
SEBI Registration No.: INM0000010650

## **Book Running Lead Managers**

### **IIFL Holdings Limited**

10th Floor, IIFL Centre  
Kamala City  
Senapati Bapat Marg  
Lower Parel (West)  
Mumbai 400 013  
Tel: +91 22 4646 4600  
Fax: +91 22 24931073  
E-mail: polycab.ipo@iiflcap.com  
Investor Grievance E-mail: ig.ib@iiflcap.com  
Contact Person: Ujjaval Kumar/ Nishita Mody  
Website: www.iiflcap.com  
SEBI Registration No.: INM000010940

### **YES Securities (India) Limited**

IFC, Tower 1&2, Unit No. 602 A  
6th Floor, Senapati Bapat Marg  
Elphinstone (West)  
Mumbai 400 013  
Telephone: +91 22 3012 6919  
Fax: +91 22 2421 4508  
E-mail: polycab.IPO@yesscuritiesltd.in  
Investor Grievance E-mail: igc@ yesscuritiesltd.in  
Website: www.yesinvest.in  
Contact Person: Nikhil Bhiwapurkar / Ronak Shah  
SEBI Registration No.: MB/INM000012227

## **Legal Counsel to our Company as to Indian law**

### **Cyril Amarchand Mangaldas**

5<sup>th</sup> Floor, Peninsula Chambers  
Peninsula Corporate Park  
Ganpatrao Kadam Marg  
Lower Parel  
Mumbai 400 013  
Tel: +91 22 2496 4455  
Fax: +91 22 2496 3666

## **Legal Counsel to the Lead Managers as to Indian law**

### **S&R Associates**

One Indiabulls Centre  
1403, Tower 2B  
841 Senapati Bapat Marg  
Lower Parel  
Mumbai 400 013  
Tel: +91 22 4302 8000  
Fax: +91 22 4302 8001

## **International Legal Counsel to the Lead Managers**

### **Clifford Chance Pte. Ltd.**

12 Marina Boulevard  
25<sup>th</sup> Floor, Marina Bay Financial Centre, Tower 3  
Singapore 018 982  
Tel: +65 6410 2200  
Fax: +65 6410 2288

## **Legal Counsel to IFC as to Indian Law**

### **AZB & Partners**

AZB House  
Plot No. A-8, Sector 4  
Noida 201 301  
Tel: +91 120 417 9999  
Fax: +91 120 417 9900

## **Legal Counsel to Promoter Selling Shareholders, Promoter Group Selling Shareholders and Individual Selling Shareholders**

### **Cyril Amarchand Mangaldas**

5<sup>th</sup> Floor, Peninsula Chambers  
Peninsula Corporate Park  
Ganpatrao Kadam Marg  
Lower Parel

Mumbai 400 013  
Tel: +91 22 2496 4455  
Fax: +91 22 2496 3666

### **Registrar to the Offer**

#### **Karvy Computershare Private Limited**

Karvy Selenium, Tower B  
Plot number 31 & 32 Gachibowli  
Financial District  
Nanakramguda  
Hyderabad 500 032  
Tel: +91 40 6716 2222  
Fax: +91 40 2343 1551  
E-mail: einward.ris@karvy.com  
Investor Grievance E-mail: polycab.ipo@karvy.com  
Website: <https://karisma.karvy.com>  
Contact Person: M Murali Krishna  
SEBI Registration No.: INR000000221

### **Statutory Auditor to our Company**

#### **S R B C & CO LLP**

Chartered Accountants  
12th Floor, The Ruby  
Senapati Bapat Marg  
Dadar (West)  
Mumbai 400 028  
Tel: +91 22 6192 0000  
Fax: +91 22 6192 1000  
E-mail: srbc.co@srb.in  
Firm Registration Number: 324982E/E300003

### **Bankers to our Company**

#### **State Bank of India**

IFB Andheri Branch  
102, Nataraj, 194, Sir M.V. Road  
Andheri (East)  
Mumbai 400 069  
Tel: +91 22 26819792  
Fax: +91 22 26833001  
E-mail: rmamt4.04732@sbi.co.in/sbi.04732@sbi.co.in,  
Website: <https://www.sbi.co.in/>  
Contact Person: Mrs. Varsha Bhat

#### **Industrial Development Bank of India**

IDBI Tower Branch,  
8th Floor, D-Wing, IDBI Tower,  
WTC Complex, Cuff Parade,  
Mumbai 400 005  
Tel: +91 22 66552036  
Fax: N.A.  
E-mail: umesh.singhania@idbi.co.in  
Website: <https://www.idbi.com/>  
Contact Person: Mr. Umesh Singhania

#### **Standard Chartered Bank**

Crescenzo, C- 38/39,  
G-Block, 6th floor,  
Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051  
Tel: +91 22 611538032

#### **Bank of India**

Bank of India Building, 4th floor  
70-80, M G Road  
Fort  
Mumbai 400 001  
Tel: +91 22 61870411  
Fax: +91 22 22884475  
E-mail: Mumbai.Lcbb@bankofindia.co.in  
Website: <https://www.bankofindia.co.in/english/home.aspx>  
Contact Person: Ms. Sandhya Garg

#### **Punjab National Bank**

Ilaco House, Sir P.M. Road  
Fort  
Mumbai 400 001  
Tel: + 91 22 22702837  
Fax: +91 22 22702839  
E-mail: bo0061@pnb.co.in  
Website: <https://www.pnbindia.in/>  
Contact Person: Mr. Kumar Shailendra

#### **Citibank N.A.**

FIFC, 9th Floor, C-54 & C-55  
G Block, Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 098  
Tel: +91 22 6175 6123  
Fax: +91 22 6646 6276

Fax: +91 22 61157800  
E-mail: sunil.dadhich@sc.com  
Website: <https://www.sc.com/in/>  
Contact Person: Mr. Sunil Dadhich

**Societe Generale Bank**

Office No 202, 2<sup>nd</sup> floor, Tower B, World Mark 1,  
Aero City, NH – 8  
New Delhi 110 037  
Tel: +91 1143503027  
Fax: +91 1123355380  
E-mail: jaya.roychoudhury@socgen.com  
Website: <https://www.societegenerale.com>  
Contact Person: Ms. Jaya Roy Choudhury

**Housing Development Finance Corporation Bank**

HDFC Bank Limited, Unit No. 401 and 402,  
4th floor, Tower B, Peninsula Business Park  
Lower Parel  
Mumbai 400 013  
Tel: +91 22 3395 8116  
Fax: +91 22 3078 8579  
Email: Pallavi.Joshi2@hdfcbank.com  
Website: <https://www.hdfcbank.com/>  
Contact person: Ms. Pallavi Joshi

**Ratnakar Bank Limited**

One Indiabulls Centre, Tower 2B, 6<sup>th</sup> floor, 841, Senapati  
Bapat Marg,  
Lower Parel  
Mumbai 400 013  
Tel: +91 22 4302 0579/+91 9987062949  
Fax: +91 22 4302 0520  
Email: Pankaj.Gehlot@rblbank.com  
Website: <https://www.rblbank.com/>  
Contact Person: Mr. Pankaj Gehlot

**Kotak Mahindra Bank**

27BKC, 2nd floor, Plot No. C-27,  
G-Block, Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051  
Tel: +91 22 61660269  
Fax: +91 22 67132416  
Email: shruti.choudhary@kotak.com  
Website: <https://www.kotak.com/>  
Contact Person: Ms. Shruti Choudhary

**HSBC Bank (Mauritius) Limited**

6<sup>th</sup> Floor, HSBC Centre, 18 Cybercity,  
Ebene,  
Mauritius  
Tel: (230) 403-8333  
Fax: (230) 403-0999  
Email: karanbyce@hsbc.co.mu  
Website: <https://www.hsbc.co.mu>  
Contact Person: Mr. Karan Singh Byce

**Syndicate Members**

[●]

E-mail: abhishek.golchha@citi.com  
Website: [www.online.citibank.co.in](http://www.online.citibank.co.in)  
Contact Person: Abhishek Golchha

**YES Bank Limited**

9th floor, Nehru Centre, Discovery of India  
Dr. A. B. Road  
Worli  
Mumbai 400 018  
Tel: +91 22 3347 8992  
Fax: N.A.  
Email: niket.korgaonkar@yesbank.in  
Website: <https://www.yesbank.in/>  
Contact Person: Mr. Niket Korgaonkar

**IndusInd Bank Limited**

Peninsula Corporate Park, Tower A, 4<sup>th</sup> Floor,  
Ganpatrao Kadam Marg, off Senapati Bapat Marg,  
Lower Parel  
Mumbai 400 013  
Tel: +91 22 4368 0315  
Fax: +91 22 4368 0426  
Email: manish.jain@indusind.com  
Website: <https://www.indusind.com/>  
Contact Person: Mr. Manish Jain

**Hongkong and Shanghai Banking Corporation Limited  
India**

5<sup>th</sup> Floor, 52/60 Mahatma Gandhi Road,  
Fort  
Mumbai 400 001  
Tel: +91 22 2268 1853/+91 7710033019  
Fax: N.A.  
Email: peeush.garg@hsbc.co.in  
Website: <https://www.hsbc.co.in>  
Contact Person: Mr. Peeush Garg

**ICICI Bank Limited**

ICICI Towers, Bandra Kurla Complex,  
Mumbai 400051  
Tel: +91 22 26536345/26536426/26536489  
Fax: +91 22 26531206  
Email:prabhat.s@icicibank.com/  
rohan.kumar@icicibank.com/  
praveenlata.saini@icicibank.com  
Website: <https://www.icicibank.com/>  
Contact Person: Mr. Prabhat Singh/Rohan Kumar/  
Praveenlata Saini

## **Bankers to the Offer**

### **Escrow Collection Bank**

[●]

### **Public Offer Bank**

[●]

### **Refund Bank**

[●]

### **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 <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link.

### **Registered Brokers**

Bidders could submit ASBA 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 [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) and [http://www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, or such other website as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other website as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other website as updated from time to time.

### **Experts**

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

Our Company has received written consent dated October 30, 2018 from the Statutory Auditors namely, S R B C & CO LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations 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 their capacity as a Statutory Auditor and in respect of their (i) examination reports, each dated October 24, 2018 on our Restated Financial Statements; and (ii) their report dated October 26, 2018 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consents from the following Chartered Engineers to include their respective names in this Draft Red Herring Prospectus as an “expert” as defined under the Companies Act, 2013, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus:

- i. Ashok Kashinath Dongre dated September 25, 2018 in relation to our facilities located in Nashik.
- ii. Anand Kumar Jain dated September 25, 2018 in relation to our facilities located in Roorkee.

- iii. Palande Vinod A dated September 7, 2018 in relation to the facilities of Dowells Cable located at Halol, dated September 7, 2018 in relation to the facilities of Techno located at Channi, dated September 7, 2018 in relation to the facilities of Ryker located at Waghodia, dated September 8, 2018 in relation to cables and wires business capacity and capacity utilization at the manufacturing facilities at Halol and Daman, and dated September 22, 2018 in relation to the seven Catenary Continuous Vulcanizing lines within the manufacturing facilities located at Halol and Daman.
- iv. Rajesh T. Panjwani dated August 25, 2018 in relation to the facilities of Tirupati Reels located at Padana, Kutch.

#### Monitoring Agency

Our Company will appoint the monitoring agency in compliance with the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus. For further details, see “*Objects of the Offer - Monitoring Agency*” on page 121.

#### Appraising Entity

The objects of the Offer have not been appraised. Accordingly, no appraising entity has been appointed for the Offer.

#### Credit Rating

The Offer being a Fresh Issue and Offer for Sale of Equity Shares, there is no credit rating for the Offer.

#### IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Offer.

#### Trustees

As this is an offer of Equity Shares, there are no trustees appointed for the Offer.

#### Inter-se allocation of responsibilities

The following table sets forth details of the inter-se allocation of responsibilities for various activities among the Lead Managers:

Sr. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	Lead Managers	Kotak Mahindra Capital Company Limited
2.	Drafting and approval of all statutory advertisement	Lead Managers	Kotak Mahindra Capital Company Limited
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	Lead Managers	Axis Capital Limited
4.	Appointment of Intermediaries - Registrar to the Offer, Advertising Agency, and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Lead Managers	YES Securities (India) Limited
5.	Appointment of Intermediaries - Printers, Banker(s) to the Offer, Monitoring Agency and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Lead Managers	IIFL Holdings Limited

Sr. No	Activity	Responsibility	Co-ordinator
6.	International Institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• Preparation of road show presentation and frequently asked questions</li> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule</li> </ul>	Lead Managers	Citigroup Global Markets India Private Limited
7.	Domestic Institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• Institutional marketing strategy;</li> <li>• Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>• Finalizing domestic road show and investor meeting schedule</li> </ul>	Lead Managers	Kotak Mahindra Capital Company Limited
8.	Retail marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>• Finalising media, marketing and public relations strategy;</li> <li>• Finalising centres for holding conferences for brokers, etc;</li> <li>• Follow-up on distribution of publicity and Offer material including form, the Prospectus and deciding on the quantum of the Offer material; and</li> <li>• Finalising collection centres</li> </ul>	Lead Managers	Axis Capital Limited
9.	Non-institutional marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>• Finalising media, marketing and public relations strategy;</li> <li>• Finalising centres for holding conferences for brokers, etc;</li> </ul>	Lead Managers	Edelweiss Financial Services Limited
10.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination and intimation of anchor allocation.	Lead Managers	Edelweiss Financial Services Limited
11.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholders.	Lead Managers	Citigroup Global Markets India Private Limited
12.	Post- Issue activities, which shall involve essential follow-up with bankers to the Issue and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and	Lead Managers	YES Securities (India) Limited



Sr. No	Activity	Responsibility	Co-ordinator
	refunds, payment of STT (if applicable) on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable.  Coordinating with Stock Exchanges and SEBI for release of 1% security deposit post closure of the Issue.		

### Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band, which will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], (Hindi, also being the regional language in the place 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 purpose of uploading on their websites. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Lead Managers after the Bid / Offer Closing Date.

**All Bidders, except Anchor Investors, shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

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

Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company alongwith the Selling Shareholders have appointed the Lead Managers to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

For further details, see “*Offer Structure*” and “*Offer Procedure*” beginning on pages 570 and 573, respectively.

### Illustration of Book Building and 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 and Price Discovery Process*” on page 603.

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

### Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The following table sets forth details of the number of Equity Shares for which the Underwriters have indicated their intention to underwrite:

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

<b>Name, address, telephone number, fax number and e-mail address of the Underwriters</b>	<b>Indicative Number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (in ₹ million)</b>
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
<b>Total</b>	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). Our Board of Directors / 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 commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them, in accordance with the Underwriting Agreement, when executed. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus.

## CAPITAL STRUCTURE

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

(in ₹)

		Aggregate value at face value of ₹ 10 per Equity Share	Aggregate value at Offer Price
<b>1</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	186,250,000 Equity Shares	1,862,500,000	
<b>2</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER</b>		
	141,205,838 Equity Shares	1,412,058,380	
<b>3</b>	<b>PRESENT OFFER OF [●] EQUITY SHARES IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Fresh Issue of up to [●] Equity Shares aggregating upto ₹ 5,000 million <sup>(1)</sup>	[●]	[●]
	Offer for Sale of up to 24,886,823 Equity Shares aggregating upto ₹ [●] million <sup>(2)</sup>		[●]
	<i>Which includes</i>		
	Employee Reservation Portion of up to [●] Equity Shares <sup>(3)</sup>	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
<b>4</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER</b>		
	[●] Equity Shares	[●]	
<b>5</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer		3,205,600,000
	After the Offer		[●]

<sup>(1)</sup> The Fresh Issue has been authorised by our Board of Directors and our Shareholders, pursuant to their resolutions, passed at their respective meetings, each dated September 20, 2018.

<sup>(2)</sup> The Selling Shareholders, severally and not jointly, have authorised their respective participation in the Offer for Sale. For details, see "Other Regulatory and Statutory Disclosures" on page 542

<sup>(3)</sup> Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does 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.

### Changes in the Authorised Share Capital

- The initial authorised share capital of ₹ 5,000,000 divided into 500,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 20,000,000 divided into 2,000,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on July 6, 1998.
- The authorised share capital of ₹ 20,000,000 divided into 2,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 25,000,000 divided into 2,500,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on March 10, 1999.\*
- The authorised share capital of ₹ 25,000,000 divided into 2,500,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 50,000,000 divided into 5,000,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on November 29, 1999.\*
- The authorised share capital of ₹ 50,000,000 divided into 5,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 500,000,000 divided into 50,000,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on February 1, 2006.\*

5. The authorised share capital of ₹ 500,000,000 divided into 50,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 800,000,000 divided into 80,000,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on February 27, 2007.
6. The authorised share capital of ₹ 800,000,000 divided into 80,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 910,000,000 divided into 91,000,000 Equity Shares of face value of ₹ 10 each pursuant to a scheme of amalgamation of Polycab Industries Private Limited, Polycab Cables Private Limited, BNK Plastics Private Limited and Polycab Industries Daman Private Limited with our Company approved by the High Court of Bombay by its order dated December 2, 2011, which was effective on December 31, 2011. For further details, see “*History and Certain Corporate Matters*” on page 212.
7. The authorised share capital of ₹ 910,000,000 divided into 91,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 920,000,000 divided into 92,000,000 Equity Shares of face value of ₹ 10 each pursuant to a scheme of amalgamation of Polycab Cables Industries Private Limited with our Company approved by the High Court of Bombay by its order dated January 24, 2014, which was effective on February 14, 2014. For further details, see “*History and Certain Corporate Matters*” on page 212.
8. The authorised share capital of ₹ 920,000,000 divided into 92,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 1,500,000,000 divided into 150,000,000 Equity Shares of face value of ₹ 10 each pursuant to a resolution of our Shareholders on August 30, 2014.
9. The authorised share capital of ₹ 1,500,000,000 divided into 150,000,000 Equity Shares of face value of ₹ 10 each was increased to ₹ 1,862,500,000 divided into 186,250,000 Equity Shares of face value of ₹ 10 each pursuant to a scheme of amalgamation of Jaisingh Wires Private Limited, Polycab Wires Industries Private Limited, Polycab Electrical Industries Private Limited, Datar Nouveau Energiotechnik Limited and Polycab Electronics Private Limited with our Company approved by the High Court of Bombay by its order dated February 26, 2016 and by the High Court of Delhi by its order dated March 18, 2016, which was effective on May 22, 2016. For further details, see “*History and Certain Corporate Matters*” on page 212.

\* For details, see , “*Risk Factors - Internal Risk Factors – Certain of our ROC form filings and challans are not traceable and the deeds with respect to certain share transfers by way of gifts to and by our Promoters, have not been entered into. Additionally, there are discrepancies in certain documentations and corporate records evidencing the name of one of our Promoters.*” on page 32.

### **Notes to the Capital Structure**

#### **1. Share Capital History of our Company**

- (a) The following table sets forth details of the history of the Equity Share capital of our Company:

<b>Date of allotment of Equity Shares</b>	<b>Number of Equity Shares allotted</b>	<b>Face value (₹)</b>	<b>Issue price per Equity Shares (₹)</b>	<b>Nature of consideration</b>	<b>Reasons for allotment</b>	<b>Cumulative no. of Equity Shares</b>	<b>Cumulative paid-up Equity Share capital (₹)</b>
January 10, 1996	1,000	10	10	Cash	Subscription to the Memorandum of Association <sup>(1)</sup>	1,000	10,000
December 20, 1997	2,000	10	10	Cash	Further issue <sup>(2)</sup>	3,000	30,000
March 5, 1998	415,000	10	10	Cash	Further issue <sup>(3)</sup>	418,000	4,180,000
March 24, 1999	2,082,000	10	10	Cash	Further issue <sup>(4)</sup>	2,500,000	25,000,000
December 24, 1999	2,500,000	10	N.A.	Bonus	Bonus issue of one Equity Share for every one Equity Share held on the record date, i.e. November 29, 1999 <sup>(5)</sup>	5,000,000	50,000,000
March 9, 2006	25,000,000	10	N.A.	Bonus	Bonus issue of five Equity Shares for every one Equity Share held on the	30,000,000	300,000,000

Date of allotment of Equity Shares	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Shares (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share capital (₹)
					record date, i.e. March 1, 2006 <sup>(6)</sup>		
March 24, 2007	30,000,000	10	N.A.	Bonus	Bonus issue of one Equity Share for every one Equity Share held on the record date, i.e. March 23, 2007 <sup>(7)</sup>	60,000,000	600,000,000
July 2, 2009	5,573,770	10	415.79	Cash	Further issue <sup>(8)</sup>	65,573,770	655,737,700
February 14, 2012	14,696	10	N.A.	Other than cash	Pursuant to scheme of arrangement <sup>(9)</sup>	65,588,466	655,884,660
December 28, 2012	5,014,453	10	339.02	Cash	Conversion of FCCDs <sup>(10)</sup>	70,602,919	706,029,190
October 9, 2014	70,602,919	10	N.A.	Bonus	Bonus issue of one Equity Share for every one Equity Share held on the record date, i.e. July 20, 2014 <sup>(11)</sup>	141,205,838	1,412,058,380

<sup>(1)</sup> Subscription of 1,000 Equity Shares by three allottees i.e. Ramesh T. Jaisinghani (600 Equity Shares), Raju G. Jaisinghani (200 Equity Shares) and Suhasini S. Shah (200 Equity Shares).

<sup>(2)</sup> Further issue of 2,000 Equity Shares to two allottees i.e. Inder T. Jaisinghani (1,000 Equity Shares) and Reina R. Jaisinghani (1,000 Equity Shares).

<sup>(3)</sup> Further issue of 415,000 Equity Shares to six allottees i.e. Ramesh T. Jaisinghani (100,000 Equity Shares), Raju G. Jaisinghani (100,000 Equity Shares), Inder T. Jaisinghani (100,000 Equity Shares), Reina R. Jaisinghani (100,000 Equity Shares), Kartik S. Shah (10,000 Equity Shares) and Suhasini S. Shah (5,000 Equity Shares).

<sup>(4)</sup> Further issue of 2,082,000 Equity Shares to three allottees i.e. Ramesh T. Jaisinghani (495,700 Equity Shares), Inder T. Jaisinghani (1,091,300 Equity Shares) and Reina R. Jaisinghani (495,000 Equity Shares).

<sup>(5)</sup> Bonus issue of 2,500,000 Equity Shares to six allottees i.e. Ramesh T. Jaisinghani (596,300 Equity Shares), Raju G. Jaisinghani (100,200 Equity Shares), Suhasini S. Shah (5,200 Equity Shares), Inder T. Jaisinghani (1,192,300 Equity Shares), Reina R. Jaisinghani (596,000 Equity Shares) and Kartik S. Shah (10,000 Equity Shares).

<sup>(6)</sup> Bonus issue of 25,000,000 Equity Shares to six allottees i.e. Ramesh T. Jaisinghani (5,963,000 Equity Shares), Raju G. Jaisinghani (1,002,000 Equity Shares), Suhasini S. Shah (52,000 Equity Shares), Inder T. Jaisinghani (11,923,000 Equity Shares), Reina R. Jaisinghani (5,960,000 Equity Shares) and Kartik S. Shah (100,000 Equity Shares). For details, see, "Risk Factors - Internal Risk Factors – Certain of our ROC form filings and challans are not traceable and the deeds with respect to certain share transfers by way of gifts to and by our Promoters, have not been entered into. Additionally, there are discrepancies in certain documentations and corporate records evidencing the name of one of our Promoters." on page 32.

<sup>(7)</sup> Bonus issue of 30,000,000 Equity Shares to six allottees i.e. Ramesh T. Jaisinghani (7,155,600 Equity Shares), Raju G. Jaisinghani (1,202,400 Equity Shares), Suhasini S. Shah (62,400 Equity Shares), Inder T. Jaisinghani (14,307,600 Equity Shares), Reina R. Jaisinghani (7,152,000 Equity Shares) and Kartik S. Shah (120,000 Equity Shares).

<sup>(8)</sup> Further issue of 5,573,770 Equity Shares to one allottee, i.e., IFC (5,573,770 Equity Shares).

<sup>(9)</sup> Allotment of 14,696 Equity Shares to seven allottees i.e. Inder T. Jaisinghani (2,078 Equity Shares), , Ajay T. Jaisinghani (4,310 Equity Shares), Ramesh T. Jaisinghani (2,078 Equity Shares), Girdhari T. Jaisinghani (2,078 Equity Shares), Reina R. Jaisinghani (960 Equity Shares), Bharat A. Jaisinghani (1,596 Equity Shares) and Nikhil R. Jaisinghani (1,596 Equity Shares) pursuant to a scheme of amalgamation approved by the High Court of Bombay by its order dated December 2, 2011 in relation to amalgamation of Polycab Industries Private Limited, Polycab Cables Private Limited, BNK Plastics Private Limited and Polycab Industries Daman Private Limited with our Company. For details, see "History and Certain Corporate Matters – Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets" on page 216.

<sup>(10)</sup> Allotment of 5,014,453 Equity Shares to one allottee i.e. IFC pursuant to conversion of FCCDs. Pursuant to the SSA, IFC was allotted 17,000,000 FCCDs of our Company on June 25, 2009 for an aggregate consideration of ₹ 1,700 million which were converted into 5,014,453 Equity Shares on December 28, 2012.

<sup>(11)</sup> Bonus issue of 70,602,919 Equity Shares to nine allottees i.e. Inder T. Jaisinghani (15,009,078 Equity Shares), Ajay T. Jaisinghani (12,001,910 Equity Shares), Ramesh T. Jaisinghani (12,000,638 Equity Shares), Girdhari T. Jaisinghani (11,999,678 Equity Shares), Bharat A. Jaisinghani (3,000,996 Equity Shares), Nikhil R. Jaisinghani (3,000,996 Equity Shares), Anil H. Hariani (2,999,400 Equity Shares), Kartik S. Shah (2,000 Equity Shares) and IFC (10,588,223 Equity Shares).

(b) Issue of Equity Shares through bonus issue or for consideration other than cash

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, or through bonus issue on the date of this Draft Red Herring Prospectus. Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
December 24, 1999	Ramesh T. Jaisinghani	596,300	10	N.A.	Bonus issue of one Equity Share for every one Equity Share held on the record date, i.e. November 29, 1999 was authorised by our Shareholders through a resolution dated November 29, 1999.	-
	Raju G. Jaisinghani	100,200				
	Suhasini S. Shah	5,200				
	Inder T. Jaisinghani	1,192,300				
	Reina R. Jaisinghani	596,000				
	Kartik S. Shah	10,000				
	<b>Total</b>	<b>2,500,000</b>				
March 9, 2006	Ramesh T. Jaisinghani	5,963,000	10	N.A.	Bonus issue of every one Equity Share held on the record date, i.e. March 1, 2006 was authorised by our Shareholders through a resolution dated February 27, 2006.	-
	Raju G. Jaisinghani	1,002,000				
	Suhasini S. Shah	52,000				
	Inder T. Jaisinghani	11,923,000				
	Reina R. Jaisinghani	5,960,000				
	Kartik S. Shah	100,000				
	<b>Total</b>	<b>25,000,000</b>				
March 24, 2007	Ramesh T. Jaisinghani	7,155,600	10	N.A.	Bonus issue of every one Equity Share held on the record date, i.e. March 23, 2007 was authorised by our Shareholders through a resolution dated March 23, 2007.	-
	Raju G. Jaisinghani	1,202,400				
	Suhasini S. Shah	62,400				
	Inder T. Jaisinghani	14,307,600				
	Reina R. Jaisinghani	7,152,000				
	Kartik S. Shah	120,000				
	<b>Total</b>	<b>30,000,000</b>				
February 14, 2012	Inder T. Jaisinghani	2,078	10	Other than cash	Allotment pursuant to a scheme of amalgamation of Polycab Industries Private Limited, Polycab Cables Private Limited, BNK Plastics Private Limited and Polycab Industries Daman Private Limited with our Company approved by the High Court of Bombay by its order dated December 2, 2011. For further details, see " <i>History and Certain Corporate Matters</i> " on page 212.	-
	Ajay T. Jaisinghani	4,310				
	Ramesh T. Jaisinghani	2,078				
	Girdhari T. Jaisinghani	2,078				
	Reina R. Jaisinghani	960				
	Bharat A. Jaisinghani	1,596				
	Nikhil R. Jaisinghani	1,596				
	<b>Total</b>	<b>14,696</b>				
October 9, 2014	Inder T. Jaisinghani	15,009,078	10	N.A.	Bonus issue of one Equity Share for every one Equity Share held on the record date, i.e. July 20, 2014 was	-
	Ajay T. Jaisinghani	12,001,910				
	Ramesh T. Jaisinghani	12,000,638				
	Girdhari T. Jaisinghani	11,999,678				

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
	Bharat A. Jaisinghani	3,000,996			authorised by our Shareholders through a resolution dated August 30, 2014.	
	Nikhil R. Jaisinghani	3,000,996				
	Anil H. Hariani	2,999,400				
	Kartik S. Shah	2,000				
	IFC	10,588,223				
	<b>Total</b>	<b>70,602,919</b>				

(c) *Issue of Equity Shares in the last one year below the Offer Price*

Our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year.

2. **History of the Equity Share Capital held by our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters, hold 93,647,682 Equity Shares, constituting 66.32% 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 our Promoters' shareholding in our Company*

The following table sets forth details of the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment / transfer*	Nature of consideration **	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
<b><i>Inder T. Jaisinghani</i></b>							
December 20, 1997	Cash	Further issue	1,000	10	10	0.00	[●]
March 5, 1998	Cash	Further issue	100,000	10	10	0.07	[●]
March 24, 1999	Cash	Further issue	1,091,300	10	10	0.77	[●]
December 24, 1999	Bonus	Bonus issue	1,192,300	10	N.A.	0.84	[●]
March 9, 2006	Bonus	Bonus issue	11,923,000	10	N.A.	8.44	[●]
March 24, 2007	Bonus	Bonus issue	14,307,600	10	N.A.	10.13	[●]
March 26, 2008	Cash	Transfer to Mahesh Chand	(10,000)	10	10	(0.01)	[●]
October 5, 2011	Gift	Transfer to Girdhari T. Jaisinghani	(9,109,100)	10	N.A.	(6.45)	[●]
October 5, 2011	Gift	Transfer to Ajay T. Jaisinghani	(1,499,700)	10	N.A.	(1.06)	[●]
October 5, 2011	Gift	Transfer to Anil H. Hariani	(2,999,400)	10	N.A.	(2.12)	[●]
February 14, 2012	Other than cash	Pursuant to amalgamation	2,078	10	N.A.	0.00	[●]
July 3, 2013	Cash	Transfer from Mahesh Chand	10,000	10	120	0.01	[●]

Date of allotment / transfer*	Nature of consideration **	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
October 9, 2014	Bonus issue	Bonus	15,009,078	10	N.A.	10.63	[●]
June 28, 2017	Gift	Transfer to Ramakrishnan Ramamurthi	(423,014)	10	N.A.	(0.30)	[●]
November 13, 2017	Cash	Transfer from Kartik S. Shah	4,000	10	250	0.00	[●]
December 13, 2017	Gift	Transfer to Kunal I. Jaisinghani	(5,820,363)	10	N.A.	(4.12)	[●]
May 23, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(89,250)	10	N.A.	(0.06)	[●]
September 27, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(148,750)	10	N.A.	(0.11)	[●]
<b>Total</b>			<b>23,540,779</b>			<b>16.67</b>	<b>[●]</b>
<b><i>Ajay T. Jaisinghani</i></b>							
January 10, 2008	Cash	Transfer from Kartik S. Shah	238,000	10	10	0.17	[●]
April 15, 2011	Cash	Transfer from Ramesh T. Jaisinghani	1,829,900	10	10	1.30	[●]
April 15, 2011	Gift	Transfer from Reina R. Jaisinghani	8,305,200	10	N.A.	5.88	[●]
May 26, 2011	Gift	Transfer from Aarti Jaisinghani	124,800	10	N.A.	0.09	[●]
October 5, 2011	Cash	Transfer from Inder T. Jaisinghani	1,499,700	10	10	1.06	[●]
February 14, 2012	Other than cash	Pursuant to amalgamation	4,310	10	N.A.	0.00	[●]
October 9, 2014	Bonus issue	Bonus	12,001,910	10	N.A.	8.50	[●]
June 28, 2017	Gift	Transfer to Ramakrishnan Ramamurthi	(423,014)	10	N.A.	(0.30)	[●]
May 23, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(89,250)	10	N.A.	(0.06)	[●]
September 27, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(148,750)	10	N.A.	(0.11)	[●]
<b>Total</b>			<b>23,342,806</b>			<b>16.53</b>	<b>[●]</b>
<b><i>Ramesh T. Jaisinghani</i></b>							
January 10, 1996	Subscription to the Memorandum of Association	Cash	600	10	10	0.00	[●]
March 5, 1998	Cash	Further issue	100,000	10	10	0.07	[●]
March 24, 1999	Cash	Further issue	495,700	10	10	0.35	[●]
December 24, 1999	Bonus	Bonus issue	596,300	10	N.A.	0.42	[●]



Date of allotment / transfer*	Nature of consideration **	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
March 9, 2006	Bonus	Bonus issue	5,963,000	10	N.A.	4.22	[●]
March 24, 2007	Bonus issue	Bonus	7,155,600	10	N.A.	5.07	[●]
April 15, 2011	Gift	Transfer to Girdhari T. Jaisinghani	(483,700)	10	N.A.	(0.34)	[●]
April 15, 2011	Gift	Transfer to Ajay T. Jaisinghani	(1,829,900)	10	N.A.	(1.30)	[●]
February 14, 2012	Other than cash	Pursuant to amalgamation	2,078	10	N.A.	0.00	[●]
March 6, 2014	Gift	Transfer from Reina R. Jaisinghani	960	10	N.A.	0.00	[●]
October 9, 2014	Bonus issue	Bonus	12,000,638	10	N.A.	8.50	[●]
June 28, 2017	Gift	Transfer to Ramakrishnan Ramamurthi	(423,012)	10	N.A.	(0.30)	[●]
May 23, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(89,250)	10	N.A.	(0.06)	[●]
September 27, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(148,750)	10	N.A.	(0.11)	[●]
<b>Total</b>			<b>23,340,264</b>			<b>16.53</b>	<b>[●]</b>
<b>Girdhari T. Jaisinghani</b>							
April 15, 2011	Gift	Transfer from Ramesh T. Jaisinghani	483,700	10	N.A.	0.34	[●]
April 15, 2011	Gift	Transfer from Raju G. Jaisinghani	2,404,800	10	N.A.	1.70	[●]
October 5, 2011	Gift	Transfer from Inder T. Jaisinghani	9,109,100	10	N.A.	6.45	[●]
February 14, 2012	Other than cash	Pursuant to amalgamation	2078	10	N.A.	0.00	[●]
October 9, 2014	Bonus Issue	Bonus	11,999,678	10	N.A.	8.50	[●]
June 28, 2017	Gift	Transfer to Ramakrishnan Ramamurthi	(337,523)	10	N.A.	(0.24)	[●]
May 23, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(89,250)	10	N.A.	(0.06)	[●]
September 27, 2018	Gift	Transfer to Ramakrishnan Ramamurthi	(148,750)	10	N.A.	(0.11)	[●]
<b>Total</b>			<b>23,423,833</b>			<b>16.59</b>	<b>[●]</b>

\* The Equity Shares allotted by our Company to our Promoters were fully paid-up as on their respective dates of allotment. Further, as of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

\*\* For details, see, "Risk Factors - Internal Risk Factors – "Certain of our ROC form filings and challans are not traceable and the deeds with respect to certain share transfers by way of gifts to and by our Promoters, have not been entered into.

Additionally, there are discrepancies in certain documentations and corporate records evidencing the name of one of our Promoters.”

### Shareholding of our Promoters and Promoter Group in our Company

The following table sets forth details of the shareholding of our Promoters and Promoter Group in our Company:

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
<b>Promoters</b>					
1.	Inder T. Jaisinghani	23,540,779	16.67	[●]	[●]
2.	Ajay T. Jaisinghani	23,342,806	16.53	[●]	[●]
3.	Ramesh T. Jaisinghani	23,340,264	16.53	[●]	[●]
4.	Girdhari T. Jaisinghani	23,423,833	16.59	[●]	[●]
	<b>Total (A)</b>	<b>93,647,682</b>	<b>66.32</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>					
5.	Bharat A. Jaisinghani	6,001,992	4.25	[●]	[●]
6.	Nikhil R. Jaisinghani	6,001,992	4.25	[●]	[●]
7.	Kunal I. Jaisinghani	5,820,363	4.12	[●]	[●]
	<b>Total (B)</b>	<b>17,824,347</b>	<b>12.62</b>	<b>[●]</b>	<b>[●]</b>
	<b>Total (A+B)</b>	<b>111,472,029</b>	<b>78.94</b>	<b>[●]</b>	<b>[●]</b>

### 3. Details of Promoter’s contribution and lock-in:

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment and our Promoters’ shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment.

The following table sets forth details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment:

Name of Promoter	Date of allotment / transfer	Nature of transaction	Consideration	No. of Equity Shares (1)(2)	Face value (₹)	Issue / transfer price per equity share (₹)	No. of Equity Shares locked-in (1)(2)	Percentage of post-Offer paid-up equity share capital (3) (%)
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>				[●]	[●]			

(1) For a period of three years from the date of Allotment.

(2) All Equity Shares were fully paid-up at the time of allotment.

(3) The above table will be completed at Prospectus stage

The minimum Promoters’ contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as ‘Promoter’ under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters’ contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- The Equity Shares offered for Promoters’ contribution have not been acquired in the last three years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters’ contribution;
- The Promoters’ contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- Our Company has not been formed by the conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm; and
- The Equity Shares held by our Promoters and offered for Promoters’ contribution are not subject to any pledge, or any other form of encumbrance.

*Other requirements in respect of lock-in:*

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for three years as specified above, except for the Offered Shares sold by the Selling Shareholders in the Offer for Sale and the Equity Shares to be allotted to the Eligible Employees of our Company under the ESOP Plan 2018, 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.

The Equity Shares held by our Promoters which will be locked-in for a period of one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan.

The Equity Shares held by our Promoters and locked-in may be transferred to any other Promoter or person of our Promoter Group or to any 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 SEBI Takeover Regulations, as applicable.

The Equity Shares held by persons other than our Promoters will be locked-in for a period of one year from the date of Allotment in the Offer and 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 transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

*Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors*

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

#### 4. Shareholding Pattern of our Company

The following table sets forth details of the shareholding pattern of our Company as on the date of filing of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No. of Shares Underlying Outstanding convertible securities (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 Shares	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 & Promoter Group	7	111,472,029	Nil	Nil	111,472,029	78.94	111,472,029	78.94	Nil	111,472,029	Nil	Nil	Nil	Nil	111,472,029
(B)	Public	3	29,733,809	Nil	Nil	29,733,809	21.06	29,733,809	21.06	Nil	29,733,809	Nil	Nil	N.A.	N.A.	29,733,809
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>10</b>	<b>141,205,838</b>	<b>Nil</b>	<b>Nil</b>	<b>141,205,838</b>	<b>100.00</b>	<b>141,205,838</b>	<b>100.00</b>	<b>Nil</b>	<b>141,205,838</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>141,205,838</b>

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI Listing Regulations one day prior to the listing of the Equity Shares pursuant to the Offer. The shareholding pattern will be provided to the Stock Exchanges for uploading on their respective websites before the commencement of trading of the Equity Shares pursuant to the Offer.

5. The list of top 10 Shareholders and the number of Equity Shares held by them is as under:

(a) The following table sets forth details of the top 10 Shareholders as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Inder T. Jaisinghani	23,540,779	16.67
2.	Girdhari T. Jaisinghani	23,423,833	16.59
3.	Ajay T. Jaisinghani	23,342,806	16.53
4.	Ramesh T. Jaisinghani	23,340,264	16.53
5.	IFC	21,176,446	15.00
6.	Bharat A. Jaisinghani	6,001,992	4.25
7.	Nikhil R. Jaisinghani	6,001,992	4.25
8.	Anil H. Hariani	5,820,363	4.12
9.	Kunal I. Jaisinghani	5,820,363	4.12
10.	Ramakrishnan Ramamurthi	2,737,000	1.94
<b>Total</b>		<b>141,205,838</b>	<b>100.00</b>

(b) The following table sets forth details of the top 10 Shareholders as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Inder T. Jaisinghani	23,540,779	16.67
2.	Girdhari T. Jaisinghani	23,423,833	16.59
3.	Ajay T. Jaisinghani	23,342,806	16.53
4.	Ramesh T. Jaisinghani	23,340,264	16.53
5.	IFC	21,176,446	15.00
6.	Bharat A. Jaisinghani	6,001,992	4.25
7.	Nikhil R. Jaisinghani	6,001,992	4.25
8.	Anil H. Hariani	5,820,363	4.12
9.	Kunal I. Jaisinghani	5,820,363	4.12
10.	Ramakrishnan Ramamurthi	2,737,000	1.94
<b>Total</b>		<b>141,205,838</b>	<b>100.00</b>

(c) The following table sets forth details of the top 10 Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. no.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Inder T. Jaisinghani	30,018,156	21.26
2.	Ajay T. Jaisinghani	24,003,820	17.00
3.	Ramesh T. Jaisinghani	24,001,276	17.00
4.	Girdhari T. Jaisinghani	23,999,356	17.00
5.	IFC	21,176,446	15.00
6.	Bharat A. Jaisinghani	6,001,992	4.25
7.	Nikhil R. Jaisinghani	6,001,992	4.25
8.	Anil H. Hariani	5,998,800	4.25
9.	Kartik S. Shah	4,000	Negligible
<b>Total</b>		<b>141,205,838</b>	<b>100.00</b>

6. **Employee Stock Option Plan:**

#### **ESOP Plan 2018**

Pursuant to the resolution passed by our Board on August 30, 2018 and by our Shareholders on August 30, 2018, our Company had instituted the ESOP Plan 2018, ESOP Performance Scheme, and ESOP Privilege Scheme, for issue of options to eligible employees (as defined therein). The ESOP Plan 2018 will be administered by the NRC Committee. The objectives of the ESOP Plan 2018 includes attaining and exceeding performance targets, encourage retention of talent and loyalty to our Company, enable fundamental alignment to value creation, align with shareholders' interest, and encourage employee ownership in the Company or our Subsidiaries.

Under the ESOP Plan 2018, the NRC Committee is authorised to grant not exceeding 3,530,000 options on a consolidated basis under ESOP Performance Scheme and ESOP Privilege Scheme, to the eligible employees in one or more tranches, from time to time, which in aggregate are exercisable into not more than 3,530,000 Equity Shares, with each such option conferring a right upon the eligible employees to apply for one Equity Share in accordance with the terms and conditions as may be decided under this Plan.

**(a) ESOP Performance Scheme**

Our Company / Board / NRC Committee shall grant the options to the eligible employees in accordance with the terms and conditions of the ESOP Performance Scheme notified under the ESOP Plan 2018. The options granted shall vest not earlier than one year and not later than maximum vesting period of five years from the date of grant. All the grants shall vest in the following manner: (i) 15% of options granted shall vest on the first anniversary from the date of grant, (ii) 15% of options granted shall vest on the second anniversary from the date of grant, (iii) 20% of options granted shall vest on the third anniversary from the date of grant, (iv) 20% of options granted shall vest on the fourth anniversary from the date of grant, and (v) 30% of options granted shall vest on the fifth anniversary from the date of grant. The exercise period in respect of the option shall commence immediately on vesting and be subject to a maximum period of eight years from the date of grant. The exercise price per option shall be ₹ 405.

The following table sets forth the particulars of the options granted under the ESOP Performance Scheme as on the date of this Draft Red Herring Prospectus:

Options granted	Grant 1 – 2,102,500 options granted on August 30, 2018 Grant 2 – 45,000 options granted on October 18, 2018		
The pricing formula	Weighted average of Discounted Cash Flow (DCF) method and Comparable Companies Multiple (CCM) method		
Exercise price of options	₹ 405 per equity share of ₹ 10		
Options vested (excluding options that have been exercised)	Not Applicable since options granted on or before October 18, 2018		
Vesting period	Five years with ratio of 15:15:20:20:30		
Options exercised	Not Applicable since options granted on or before October 18, 2018		
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	2,147,500		
Options forfeited/lapsed/cancelled	Nil		
Variation in terms of options	Not Applicable		
Money realised by exercise of options	Nil		
Total number of options in force	2,147,500		
Employee wise details of options granted to			
(i) Senior managerial personnel, i.e. Directors and key management personnel	<b>Name</b>	<b>Directors / Key Managerial Personnel / Senior Managerial Personnel</b>	<b>Number of options granted</b>
	Shyam Lal Bajaj	Whole Time Director	100,000
	Sai Subramaniam Narayana	Key Managerial Personnel	10,000
	Anil Shipley	Senior Managerial Personnel	45,000
	Manoj Verma	Senior Managerial Personnel	80,000
	Gandharv Tongia	Senior Managerial Personnel	45,000
	Anurag Agarwal	Senior Managerial Personnel	45,000
	Diwaker Bharadwaj	Senior Managerial Personnel	23,000
	Rajesh Mhatre	Senior Managerial Personnel	45,000

	Sandeep Bhargava	Senior Managerial Personnel	45,000
	Sanjeev Chhabra	Senior Managerial Personnel	45,000
	Shashi Amin	Senior Managerial Personnel	45,000
	Suresh Kumar	Senior Managerial Personnel	45,000
	Vivek Khanna	Senior Managerial Personnel	45,000
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil		
(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil		
Fully diluted EPS on a pre-Issue basis on exercise of options calculated in accordance with INDAS 33 'Earning Per Share'	Not Applicable since options granted on or before October 18, 2018		
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	Not Applicable since options granted on or before October 18, 2018		
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price is ₹ 405 per equity share.		
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	<p>Key Assumptions:</p> <ul style="list-style-type: none"> <li>(i) 50% weightage to each DCF and CCM method</li> <li>(ii) Risk Free Rate – 7.76%</li> <li>(iii) Discount Rate – 11.80%</li> <li>(iv) Equity Risk Premium – 7.00%</li> <li>(v) Growth Rate – 6.00%</li> </ul>		
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	Not Applicable since options granted on or before October 18, 2018		
Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	Not applicable since no Equity Shares have been allotted on exercise of any options.		
Intention to sell Equity Shares arising out of ESOP Plan 2018 within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Plan 2018, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not Applicable since options granted on or before October 18, 2018		

**(b) ESOP Privilege Scheme**

Our Company / Board / NRC Committee shall grant the options to the eligible employees in accordance with the terms and conditions of the ESOP Privilege Scheme notified under the ESOP Plan 2018. All the options granted shall vest at the end of one year from the date of grant. The exercise period in respect of the option shall commence immediately

on vesting and be subject to a maximum period of five years from the date of grant. The exercise price per option shall be ₹ 405.

The following table sets forth the particulars of the options granted under the ESOP Privilege Scheme as on the date of this Draft Red Herring Prospectus:

Options granted	142,250																					
The pricing formula	Weighted average of Discounted Cash Flow (DCF) method and Comparable Companies Multiple (CCM) method																					
Exercise price of options	₹ 405 per equity share of ₹ 10																					
Options vested (excluding options that have been exercised)	Not Applicable since options granted on August 31, 2018																					
Vesting period	One Year																					
Options exercised	Not Applicable since options granted on August 31, 2018																					
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	142,250																					
Options forfeited/lapsed/cancelled	Nil																					
Variation in terms of options	Not Applicable																					
Money realised by exercise of options	Nil																					
Total number of options in force	142,250																					
Employee wise details of options granted to																						
(i) Senior managerial personnel, i.e. Directors and key management personnel	<table border="1"> <thead> <tr> <th>Name</th> <th>Directors / Key Managerial Personnel / Senior Managerial Personnel</th> <th>Number of options granted</th> </tr> </thead> <tbody> <tr> <td>Sai Subramaniam Narayana</td> <td>Key Managerial Personnel</td> <td>1,000</td> </tr> <tr> <td>Diwaker Bharadwaj</td> <td>Senior Managerial Personnel</td> <td>2,000</td> </tr> <tr> <td>Rajesh Mhatre</td> <td>Senior Managerial Personnel</td> <td>5,000</td> </tr> <tr> <td>Sandeep Bhargava</td> <td>Senior Managerial Personnel</td> <td>5,000</td> </tr> <tr> <td>Sanjeev Chhabra</td> <td>Senior Managerial Personnel</td> <td>5,000</td> </tr> <tr> <td>Shashi Amin</td> <td>Senior Managerial Personnel</td> <td>5,000</td> </tr> </tbody> </table>	Name	Directors / Key Managerial Personnel / Senior Managerial Personnel	Number of options granted	Sai Subramaniam Narayana	Key Managerial Personnel	1,000	Diwaker Bharadwaj	Senior Managerial Personnel	2,000	Rajesh Mhatre	Senior Managerial Personnel	5,000	Sandeep Bhargava	Senior Managerial Personnel	5,000	Sanjeev Chhabra	Senior Managerial Personnel	5,000	Shashi Amin	Senior Managerial Personnel	5,000
Name	Directors / Key Managerial Personnel / Senior Managerial Personnel	Number of options granted																				
Sai Subramaniam Narayana	Key Managerial Personnel	1,000																				
Diwaker Bharadwaj	Senior Managerial Personnel	2,000																				
Rajesh Mhatre	Senior Managerial Personnel	5,000																				
Sandeep Bhargava	Senior Managerial Personnel	5,000																				
Sanjeev Chhabra	Senior Managerial Personnel	5,000																				
Shashi Amin	Senior Managerial Personnel	5,000																				
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil																					
(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil																					
Fully diluted EPS on a pre-Issue basis on exercise of options calculated in accordance with INDAS 33 'Earning Per Share'	Not applicable since options granted on August 31, 2018																					
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	Not applicable since options granted on August 31, 2018																					
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price is ₹ 405 per equity share.																					



Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Key Assumptions: (i) 50% weightage to each DCF and CCM method (ii) Risk Free Rate – 7.76% (iii) Discount Rate – 11.80% (iv) Equity Risk Premium – 7.00% (v) Growth Rate – 6.00%
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	Not applicable since options granted on August 31, 2018
Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	Not applicable, since no Equity Shares have been allotted on exercise of any options.
Intention to sell Equity Shares arising out of ESOP Plan 2018 within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Plan 2018, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable since options granted on August 31, 2018

7. Other than the allotment of 14,696 Equity Shares by our Company pursuant to a scheme of arrangement approved by the High Court of Bombay by its order dated December 2, 2011, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013 as on date of this Draft Red Herring Prospectus. For details, see “*History and Certain Corporate Matters – Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets*” on page 216.
8. Other than as disclosed below, our Promoter Group, our Directors and their immediate relatives have not purchased or transferred or sold any Equity Shares during a period of six months preceding the date of filing this Draft Red Herring Prospectus with SEBI. For details of shareholding of our Directors and Key Management Personnel, see “*Our Management - Shareholding of Directors in our Company*” and “*Shareholding of Key Management Personnel*” on pages 231 and 236, respectively:

Date of Transaction	Name of Transferor	Name of Transferee	Total number of Equity Shares transferred	Percentage of issued and paid-up capital of our Company	Transaction price per Equity Shares* (in ₹)
May 23, 2018	Inder T. Jaisinghani	Ramakrishnan Ramamurthi	89,250	0.06	N.A.
May 23, 2018	Ajay T. Jaisinghani	Ramakrishnan Ramamurthi	89,250	0.06	N.A.
May 23, 2018	Ramesh T. Jaisinghani	Ramakrishnan Ramamurthi	89,250	0.06	N.A.
May 23, 2018	Girdhari T. Jaisinghani	Ramakrishnan Ramamurthi	89,250	0.06	N.A.
September 27, 2018	Inder T. Jaisinghani	Ramakrishnan Ramamurthi	148,750	0.11	N.A.
September 27, 2018	Ajay T. Jaisinghani	Ramakrishnan Ramamurthi	148,750	0.11	N.A.
September 27, 2018	Ramesh T. Jaisinghani	Ramakrishnan Ramamurthi	148,750	0.11	N.A.
September 27, 2018	Girdhari T. Jaisinghani	Ramakrishnan Ramamurthi	148,750	0.11	N.A.

\*All transfers were by way of gift.

9. As on the date of this Draft Red Herring Prospectus, the Lead Managers and their respective associates (in accordance with the definition of “associate company” as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.

10. Other than the options granted under the ESOP Plan 2018, our Company has no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Draft Red Herring Prospectus.
11. Other than the issue of Equity Shares pursuant to the Fresh Issue and ESOP Plan 2018, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid / Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.
12. Other than the Offer and ESOP Plan 2018, there will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.
13. Our Company has 10 Shareholders as of the date of filing of this Draft Red Herring Prospectus.
14. Our Promoters and Promoter Group, except to the extent of sale of their respective Offered Shares, and our Group Companies will not participate in the Offer. Except for mutual funds sponsored by entities related to the Lead Managers, the Syndicate Members and any persons related to the Lead Managers or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion.
15. All Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
16. An over-subscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.
17. Our Company, our Directors, and the Lead Managers have not entered into any buy-back and / or standby arrangements or any safety net arrangement for purchase of Equity Shares from any person.
18. No financing arrangements have been entered into by our Promoters, Promoter Group, our Directors or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.
19. No person connected with the Offer, including, but not limited to, the Lead Managers, the members of the Syndicate, our Company, Directors, Promoters, 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.
20. All Equity Shares in the Offer will be fully paid-up at the time of Allotment failing which no Allotment shall be made.
21. In terms of Rule 19(2)(b) of the SCRR, the Net Offer shall be 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, in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, at the Anchor Investor Allocation Price. At least 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 Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (including the Employee Reservation Portion), except in the QIB Category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Lead Managers and

the Designated Stock Exchange. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be first met through the Equity Shares offered pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Selling Shareholder and subsequently, the balance part of the Fresh Issue, as disclosed in the Draft Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus. 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 573.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.
23. Our Company shall ensure that transactions in Equity Shares by the Promoters and our 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 the transaction.

## OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue and the Offer for Sale.

### Offer for Sale

Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale net of their proportion of Offer related expenses. Our Company shall not receive any proceeds from the Offer for Sale. Except for listing fees and expense on account of corporate advertisements of the Company, which shall be solely borne by our Company, all expenses in relation to the Offer will be shared, upon successful completion of the Offer, amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares being offered and sold by them respectively, pursuant to the Offer. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be borne by our Company. Further, for ease of operations, expenses of the Selling Shareholders may at the outset be borne by our Company and each Selling Shareholder shall reimburse our Company for expenses incurred by our Company on behalf of such Selling Shareholder, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and agreed amongst the Company and the Selling Shareholders.

### Fresh Issue

The Net Proceeds from the Fresh Issue are proposed to be utilised towards the following objects:

1. Scheduled repayment of all or a portion of certain borrowings availed by our Company;
2. To fund incremental working capital requirements of the Company; and
3. General corporate purposes.

In addition to the aforementioned objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company.

The main objects clause and objects incidental and ancillary to the main objects of the Memorandum of Association enables our Company (i) to undertake its existing business activities; and (ii) to undertake activities for which borrowings were availed and which are proposed to be repaid (scheduled) from the Net Proceeds.

### Offer Proceeds and Net Proceeds

The following table sets forth the details of the Net Proceeds:

Particulars	Amount (in ₹ million) <sup>(1)</sup>
Gross Proceeds of the Fresh Issue	5,000
(Less) Offer related expenses in relation to the Fresh Issue	[●]
<b>Net Proceeds</b>	<b>[●]</b>

<sup>(1)</sup> To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

### Utilisation of Net Proceeds

The following table sets forth the details of the proposed utilisation of the Net Proceeds:

Particulars	Amount (in ₹ million)
Scheduled repayment of all or a portion of certain borrowings availed by our Company	1,000
To fund incremental working capital requirements of the Company	3,000
General corporate purposes <sup>(1)</sup>	[●]
<b>Total</b>	<b>[●]</b>

<sup>(1)</sup> To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

### Proposed Schedule of Implementation and Deployment of Net Proceeds

The following table sets forth the details of the schedule of the expected deployment of the Net Proceeds:

*(In ₹ million)*

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment <sup>(1)</sup>		
		Fiscal 2019	Fiscal 2020	Fiscal 2021
Scheduled repayment of all or a portion of certain borrowings availed by our Company	1,000	-	750	250
To fund incremental working capital requirements of the Company	3,000	1,000	2,000	-

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment <sup>(1)</sup>		
		Fiscal 2019	Fiscal 2020	Fiscal 2021
General corporate purposes <sup>(1)</sup>	[●]	[●]	[●]	
<b>Total</b>	[●]	[●]	[●]	

<sup>(1)</sup> To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

The above-stated fund requirements and the proposed deployment of funds for scheduled repayment of all or a portion of certain borrowings availed by our Company, to fund the incremental working capital requirements of the Company, and general corporate purposes from the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. For details, see “Risk Factors – We 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 utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 31.

Given the nature of our business, we may have to revise our fund deployment and requirements on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management. This may entail rescheduling or revising the planned scheduled repayment of all or a portion of certain borrowings availed by our Company, and/or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. For details, see “Risk Factors – We 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 utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 31.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws.

#### Means of Finance

We intend to completely finance our Objects from the Net Proceeds, existing Equity, internal accruals and working capital related borrowing from banks. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue.

#### Details of the Objects of the Offer

##### 1. Scheduled repayment of all or a portion of certain borrowings availed by our Company

Our Company proposes to utilise an estimated amount of ₹ 1,000 million from the Net Proceeds towards scheduled repayment of all or a portion of certain borrowings availed by our Company, (details of which are provided herein below). The scheduled repayment will help reduce our outstanding borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced loans or additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards scheduled repayment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 1,000 million.

The following table sets forth details of the loans availed by our Company, which we propose to repay (scheduled) any or all of the borrowings:

Lenders	Sanctioned Amount (₹ in million)	Rate of interest	Description of Loan Facility	Purpose for which the loan was sanctioned	Repayment Schedule	Pre-payment Penalty	Amount outstanding as on October 5, 2018 (₹ in million)
CITI BANK NA	1,250.00	₹ 331 Mn at 3 Months T Bill + 2.11%	Loan for Capex	Capex Requirements	Note-1	Note 5	206.90
		₹ 239.4 Mn at 8.80%			Note-2		179.52
		₹ 679.6 Mn at 3 Months T Bill + 2.15%			Note-3		637.20
HSBC Bank (Mauritius) Limited	1,328.00	3 Months Libor + 1.65%	Loan for Capex	Capital Expenditure	Note-4	Note 6	735.81

\* Pursuant to certificate dated October 26, 2018, Kailash Chand Jain & Co., Chartered Accountant (Firm Registration Number: 112318W), has certified that the amounts sanctioned, the amounts drawn down under the abovementioned borrowings have been utilised for the purposes for which such amounts were sanctioned and the amount outstanding as on October 5, 2018.

Note 1: Repayment schedule of Citi Bank Term Loan – Quarterly repayment of ₹ 20.69 Millions between the period October 29, 2018 to January 29, 2021. (immediate installment on October 29, 2018)

Note 2: Repayment schedule of Citi Bank Term Loan – Quarterly repayment of ₹ 14.96 Millions between the period November 23, 2018 to August 23, 2021. (immediate installment on November 23, 2018)

Note 3: Repayment schedule of Citi Bank Term Loan – Quarterly repayment of ₹ 42.48 Millions between the period October 21, 2018 to April 21, 2022. (immediate installment on October 21, 2018)

Note 4: Repayment of HSBC Term Loan

Bank Name	Loan Ref No	Repayment date	Payable in FY	Principal Repayment* (₹ In millions)
HSBC	HSBC -2	June 23, 2019	19-20	247.36
HSBC	HSBC -1	September 30, 2019	19-20	241.09
HSBC	HSBC -2	June 23, 2020	20-21	247.36
<b>Total</b>				<b>735.81</b>

\* Exchange rate of Financial Benchmark India private limited (FBIL) as on October 5, 2018 of INR/1 USD 73.58 taken for conversion purpose.

Note-5 Prepayment Charges of Citi Bank Loan

Prepayment penalty at the rate of 2% of sanction amount or principal outstanding whichever is higher, at the discretion of Citi Bank N.A.

Note-6 Prepayment Charges of HSBC Bank Loan

Any prepayment shall be made together with accrued interest on the amount prepaid and will be subject to Break Costs<sup>^</sup>, as applicable.

<sup>^</sup> The break cost is the charges payable due to prepayment of borrowings before the reset date.

The selection of borrowings proposed for the scheduled repayment out of the borrowings provided above, shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to repay the borrowings and time taken to fulfil such requirements, (ii) provisions of any law, rules, regulations governing such borrowings, and (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, if any, and other related costs shall be made by us out of the Net Proceeds of the Fresh Issue.

## 2. To fund incremental working capital requirements of the Company

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from various banks and internal accruals. As of October 5, 2018, the aggregate amounts outstanding under the fund based and non-fund based working capital facilities of the Company are ₹ 240.71 million and ₹ 20,083.27 million, respectively. For further details of the working capital facilities currently availed by us, see “Financial Indebtedness” on page 527.

Our Company’s existing working capital derived on the basis of the Unconsolidated Restated Financial Statements as at March 31, 2016, 2017 and 2018 and three months period ended June 30, 2018 are stated below:

*In ₹ million*

Sr. No.	Particulars	Three Months Period ended June 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
<b>I</b>	<b>Current Assets</b>				
A	Inventory	16,916.18	13,559.00	15,173.24	9,799.35
B	Trade Receivables	10,309.84	12,697.89	11,723.91	13,253.23
C	Other Current Asset (Loans + Other Financial Assets (Current) + Income Tax Assets (Net) (Current) + Other Current Assets)*	2,519.07	2,581.28	3,560.72	2,792.87
	<b>Total Current Assets(a)</b>	<b>29,745.09</b>	<b>28,838.17</b>	<b>30,457.87</b>	<b>25,845.45</b>
<b>II</b>	<b>Current Liabilities</b>				
A	Trade payables	10,893.30	9,144.81	13,514.24	10,687.31
B	Other Current Liabilities (Other Current Financial Liabilities + Other Current Liabilities + Short Term Provisions + Current Tax Liabilities (Net))	3,210.27	3,359.92	2,841.50	1,690.36
	<b>Total Current Liabilities(b)</b>	<b>14,103.57</b>	<b>12,504.73</b>	<b>16,355.74</b>	<b>12,377.67</b>
<b>III</b>	<b>Total Working Capital Requirement (c) =(a)-(b)</b>	<b>15,641.52</b>	<b>16,333.44</b>	<b>14,102.13</b>	<b>13,467.78</b>
<b>IV</b>	<b>Funding Pattern</b>				
A	Working Capital related borrowings from Banks	4,807.66	5,669.00	6,573.71	6,947.88
B	Internal Accruals	10,833.86	10,664.44	<b>7,528.42</b>	<b>6,519.90</b>

\*Excluding Cash and Bank Balance

On the basis of the existing working capital requirements of the Company and the incremental and proposed working capital requirements, as provided in the Company’s business plan approved by the board of directors of the Company in its meeting dated September 25, 2018, the Company’s expected working capital requirements as at March 31, 2019 and March 31, 2020 and proposed funding of such working capital requirements are as set out in the table below.

*(₹ in millions)*

Sr. No.	Particulars	For the fiscal year ending March 31, 2019	For the fiscal year ending March 31, 2020
<b>I</b>	<b>Current Assets</b>		
A	Inventory	14,436.32	15,769.37
B	Trade Receivables	15,100.55	15,361.92
C	Other Current Asset (Loans + Other Financial Assets (Current) + Income Tax Assets (Net) (Current) + Other Current Assets)*	2,762.45	2,969.07
	<b>Total Current Assets(a)</b>	<b>32,299.32</b>	<b>34,100.36</b>
<b>II</b>	<b>Current Liabilities</b>		
A	Trade payables	7,649.68	6,797.14

Sr. No.	Particulars	For the fiscal year ending March 31, 2019	For the fiscal year ending March 31, 2020
B	Other current liabilities (Other Current Financial Liabilities + Other Current Liabilities + Short Term Provisions + Current Tax Liabilities (Net))	3,750.04	3,901.82
	<b>Total Current Liabilities(b)</b>	<b>11,399.72</b>	<b>10,698.96</b>
<b>III</b>	<b>Total Working Capital Requirement (c) =(a)-(b)</b>	<b>20,899.60</b>	<b>23,401.40</b>
<b>IV</b>	<b>Funding Pattern</b>		
A	Working Capital related borrowings from Banks (d)	9,065.74	10,567.54
B	Internal Accruals (e)	10,833.86	10,833.86
	<b>Net working capital requirement (g= c-d-e)</b>	<b>1,000.00</b>	<b>2,000.00</b>
	<b>Amount proposed to be utilised from Net Proceeds</b>	<b>1,000.00</b>	<b>2,000.00</b>

\*Excluding Cash and Bank Balance

The following table sets forth the details of the holding levels (days) considered and is derived from the Unconsolidated Restated Financial Statements:

Inventory Days:

As on June 30, 2018	As on March 31, 2018	As on March 31, 2017	As on March 31, 2016
121	95	130	90

Receivable Days

As on June 30, 2018	As on March 31, 2018	As on March 31, 2017	As on March 31, 2016
60	72	74	87

Creditors Days

As on June 30, 2018	As on March 31, 2018	As on March 31, 2017	As on March 31, 2016
78	64	116	98

The working capital projections made by the Company on an unconsolidated basis above pursuant to the resolution dated September 25, 2018 are based on the following key assumptions:

Particulars	Assumptions made and Justifications
<b>Inventories</b>	Our Inventories days derived from the Restated Unconsolidated Financial Statements (Calculated as Inventory as on balance sheet date divided by annualized COGS* over 365 days), was 121 days and 95 days as on June 30, 2018 and March 31, 2018, respectively. We have anticipated Inventory days of 92 days, 87 days for fiscal year 2019, 2020 respectively by focusing on rationalizing our inventory management to meet our future requirement while not carrying undue levels of inventory.
<b>Trade receivables</b>	Our Receivable Days derived from the Restated Unconsolidated Financial Statements (calculated as trade receivables as on balance sheet date divided by annualised income from operations over 365 days), was 60 days and 72 days for June 30, 2018 and March 31, 2018, respectively. We have anticipated a receivable days of 65 days for Fiscal 2019 and 57 days for Fiscal year 2020 respectively through increasing use of channel financing .
<b>Other Current Assets</b>	Other current Assets majorly comprises of Security deposits, Interest accrued on deposit, advance income tax, prepaid expenses, balance with government authorities, unbilled revenue, advance to suppliers, loans and advances to related party , balances with statutory/governmental authorities and other advances. We expect the growth in other current assets to be in line with the expected growth in business.



Particulars	Assumptions made and Justifications
<b>Trade Payable</b>	Our Trade payable includes Non- interest-bearing creditors (Non Metals) and interest bearing creditors (Metals), Our Creditors Days derived from the Restated Unconsolidated Financial Statements (calculated as Trade Payable as on balance sheet date divided by COGS* over 365 days), was 78 days and 64 days as on June 30, 2018 and March 31, 2018, respectively. We have anticipated a creditors days of 49 days for Fiscal 2019 and 38 days for Fiscal year 2020 respectively by focusing on repaying of interest bearing payables as soon as possible to reduce our finance cost.
<b>Other current liabilities</b>	Other current liabilities primarily include provision for expenses, income received in advance, advance received from customers for projects, rent escalations, employee benefit expenses, statutory liabilities, current maturities of borrowings, creditors for capital expenditures and other liabilities. We expect the growth in other current liabilities to be in line with the expected growth in business.

\* *COGS includes Cost of materials consumed, Purchases of traded goods, (Increase)/Decrease in Inventories of finished goods, traded goods and work-in-progress, Project bought outs and other cost.*

Our Company proposes to utilize ₹ 3,000.00 million of the Net Proceeds in Financial Year 2019 and 2020 towards our working capital requirements. The balance portion of our working capital requirement will be arranged from existing Equity, internal accruals and borrowings from banks.

Pursuant to the certificate dated October 26, 2018, *Kailash Chand Jain & Co., Chartered Accountant (Firm Registration Number: 112318W)* have compiled the working capital estimates and the working capital projections as approved by the Board pursuant to its resolution dated September 25, 2018.

S R B C & CO LLP have neither audited, reviewed nor examined the prospective working capital related financial information of our Company and working capital projections of our Company as disclosed in the above tables.

### 3. **General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25.00% 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 and acquisitions, funding initial stages of equity contribution towards our projects, working capital requirements, capital expenditure, investments into our Subsidiaries, part or full debt prepayment, repayment or redemption (earlier or scheduled) of our Company, strengthening of the marketing capabilities, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board of Directors or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board of Directors, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

#### **Interim use of Net Proceeds**

Pending utilisation 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. The Offer related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the Lead Managers, legal counsels, Registrar 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. Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale net of their proportion of Offer related expenses. Except for listing fees and expense on account of corporate advertisements of the Company, which shall be solely borne by our Company, all expenses in relation to the Offer will be shared, upon successful completion of the Offer, amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares being offered and sold by them respectively, pursuant to the Offer. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be solely borne by our Company. Further, for ease of operations, expenses of the Selling Shareholders may at the outset be borne by our Company and each Selling Shareholder shall reimburse our Company for expenses incurred by our Company on behalf of such Selling Shareholder, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and agreed amongst the Company and the Selling Shareholders. The following table sets forth details of the break-up for the estimated Offer expenses:

Activity	Amount <sup>(1)</sup> (₹ in million)	As a % of total estimated Offer related expenses <sup>(1)</sup>	As a % of Offer size <sup>(1)</sup>
Payment to the Lead Managers (including underwriting fees, brokerage and selling commission)	[●]	[●]	[●]
Commission and processing fees for SCSBs <sup>(2)(3)</sup>	[●]	[●]	[●]
Brokerage and selling commission for members of the Syndicate, Registered Brokers RTAs, bidding charges and CDPs <sup>(3)(4)</sup>	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others:	[●]	[●]	[●]
i. SEBI, BSE and NSE processing fees, book building and listing fees for NSE and BSE and other regulatory expenses;			
ii. Fees payable to Legal Counsels; and			
iii. Miscellaneous			
<b>Total estimated Offer expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

<sup>(1)</sup> To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

<sup>(2)</sup> SCSBs will be entitled to a processing fee of ₹ [●] (plus applicable service tax) per Bid cum Application Form, for processing the Bid cum Application Form procured by the members of the Syndicate, the Registered Brokers, RTAs or CDPs from Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders and submitted to the SCSBs.

<sup>(3)</sup> Members of the Syndicate, RTAs, CDPs and SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:  
[●]

<sup>(4)</sup> Registered Brokers will be entitled to a commission of ₹ [●] (plus applicable service tax) per valid ASBA Form which are directly procured by the Registered Brokers from Eligible Employees, Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs for processing.

## 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 our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our 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 Hindi, 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.

### **Monitoring Agency**

[●], the Monitoring Agency for monitoring the utilisation of net proceeds shall be appointed prior to filing of the RHP, as our Offer size (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000.00 million, in accordance with Regulation 16 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Board of Directors, our Key Management Personnel, our Senior Management Personnel or our Group Companies. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, our Board of Directors, our Key Management Personnel, our Senior Management Personnel, or our Group Companies.

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 of Directors 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 utilisation 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 utilisation 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 utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the Lead Managers, on the basis of assessment of market demand for the Offered Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 181, 20, 256 and 504 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

- Market leader in wires and cables in India
- Diverse suite of electrical products with varied applications across a diverse customer base
- Strong distribution network
- Manufacturing facilities with high degree of backward integration
- Strong brand in the electrical industry
- Experienced and committed management team

For further details, see “*Our Business – Strengths*” from pages 182 to 185.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For further details, see “*Financial Statements*” beginning on page 256.

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

#### I. Basic and Diluted Earnings per Share (“EPS”) as adjusted for change in capital:

Based on Restated Ind AS Unconsolidated Financial Statements:

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weight
2018	26.25	26.25	3
2017	16.44	16.44	2
2016	13.21	13.21	1
<b>Weighted Average</b>	<b>20.81</b>	<b>20.81</b>	
<b>Three months period ended June 30, 2018*</b>	<b>5.54</b>	<b>5.54</b>	

\* Not annualised

Based on Restated Ind AS Consolidated Financial Statements:

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weight
2018	26.22	26.22	3
2017	16.46	16.46	2
2016	13.09	13.09	1
<b>Weighted Average</b>	<b>20.78</b>	<b>20.78</b>	
<b>Three months period ended June 30, 2018*</b>	<b>5.33</b>	<b>5.33</b>	

\* Not annualised

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year / period}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year/ period}}$$

#### NOTES:

(1) Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 ‘Earnings per Share’, notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015.

(2) The above statement should be read with significant accounting policies and notes on Restated Summary Statements as appearing in the Financial Statements.

## II. Price / Earning (“P / E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P / E at the higher end of the Price Band (number of times)
Based on basic EPS for the year ended March 31, 2018 on an unconsolidated basis	[●]	[●]
Based on basic EPS for the year ended March 31, 2018 on a consolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2018 on an unconsolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2018 on a consolidated basis	[●]	[●]

### Industry Peer Group P/E ratio:

Particulars	Industry P/E
Highest	60.12
Lowest	14.01
Average	44.76

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. For further details, see “– Comparison with listed industry peers” on page 124

## III. Return on Net Worth (“RoNW”)

Based on Restated Ind AS Unconsolidated Financial Statements:

Fiscal	RoNW (%)	Weight
2018	15.78	3
2017	11.64	2
2016	10.48	1
<b>Weighted Average</b>	<b>13.52</b>	
<b>Three months period ended June 30, 2018*</b>	<b>3.22</b>	

\*Not annualised

Based on Restated Ind AS Consolidated Financial Statements:

Fiscal	RoNW (%)	Weight
2018	15.76	3
2017	11.66	2
2016	10.37	1
<b>Weighted Average</b>	<b>13.50</b>	
<b>Three months period ended June 30, 2018*</b>	<b>3.10</b>	

\*Not annualised

$$\text{Return on net worth (\%)} = \frac{\text{Restated profit after tax}}{\text{Net worth as restated at the end of year / period}}$$

## IV. Minimum Return on Total Net Worth after Offer required for maintaining pre-Offer EPS as at March 31, 2018:

To maintain pre-Offer basic EPS:

1. On Unconsolidated basis:
  - (i) At the Floor Price - [●]%

- (ii) At the Cap Price - [●]%
2. On Consolidated basis:
- (i) At the Floor Price - [●]%
- (ii) At the Cap Price - [●]%

**To maintain pre-Offer diluted EPS:**

1. On Unconsolidated basis:
- (i) At the Floor Price - [●]%
- (ii) At the Cap Price - [●]%
2. On Consolidated basis:
- (i) At the Floor Price - [●]%
- (ii) At the Cap Price - [●]%

**V. Net Asset Value per Equity Share (face value of ₹ 10 each)**

NAV per Equity Share	Unconsolidated basis	Consolidated basis
As on June 30, 2018	171.94	171.68
As on March 31, 2018 – as per Restated Financial Statements	166.38	166.37
After the Offer		
At Floor Price	[●]	[●]
At Cap Price	[●]	[●]
At Offer Price	[●]	[●]

Note:

Offer Price per Equity Share will be determined on conclusion of the Book Building Process

Net Asset Value Per Equity Share represents Restated Net Worth at the end of the year/period divided by Total Number of Equity Shares outstanding at the end of year/ period

**VI. Comparison with Listed Industry Peers**

The following peer group has been determined on the basis of companies listed on Indian stock exchanges whose business profile is comparable to our businesses:

Name of Company	Face Value (₹ Per Share) <sup>(2)</sup>	Closing price on October 22, 2018 (₹)	Total Income Fiscal 2018 (in ₹ million) <sup>(2)</sup>	EPS (₹)		NAV (₹ per share)	P/E	RONW (%)
				Basic <sup>(2)</sup>	Diluted <sup>(2)</sup>			
Polycab <sup>(1)</sup>	10	-	69,859.51	26.22	26.22	166.37	Not Applicable	15.76%
<b>Peer Group</b>								
Havells India Limited	1	589.35	83,869.10	10.57 <sup>^</sup>	10.57 <sup>^</sup>	59.65	55.76	17.76%
Bajaj Electricals Limited	2	492.35	47,695.84	8.23	8.19	91.78	60.12	8.93%
Crompton Greaves Consumer Electricals Limited	2	198.6	41,358.70	5.17	5.15	12.60	38.56	41.01%
KEI Industries Limited	2	255.05	35,124.18	18.54	18.21	77.17	14.01	23.94%

Name of Company	Face Value (₹ Per Share) <sup>(2)</sup>	Closing price on October 22, 2018 (₹)	Total Income Fiscal 2018 (in ₹ million) <sup>(2)</sup>	EPS (₹)		NAV (₹ per share)	P/E	RONW (%)
				Basic <sup>(2)</sup>	Diluted <sup>(2)</sup>			
V-Guard Industries Limited	1	171.85	23,463.04	3.16	3.10	17.61	55.35	17.91%

<sup>(1)</sup> Based on restated consolidated financials for FY 2018

<sup>(2)</sup> Based on audited consolidated financials as disclosed in respective annual reports for Fiscal 2018

^ Indicates EPS for continuing and discontinuing operations

Notes for listed peer companies:

- Price earnings ratio calculated by dividing the closing market price (as available on website of NSE) of the shares of the companies as on October 22, 2018, by the diluted EPS of the companies for Fiscal year ending March 31, 2018
- Net Asset Value (NAV) per share is calculated by dividing the audited consolidated net worth for equity shareholders of company by number of paid-up equity shares of such company outstanding as on the balance sheet date
- Return on Net Worth (RONW) is calculated as audited consolidated net profit after tax for the period divided by audited consolidated net worth for equity shareholders of the company

#### VII. The Offer price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and Selling Shareholders, in consultation with the Lead Managers, on the basis of demand from investors for Equity Shares through the Book Building Process and 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 20, 181, 504 and 256 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “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 UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors  
Polycab India Limited (formerly known as Polycab Wires Limited)  
E-554, Greater Kailash –II,  
South Delhi,  
New Delhi 110048  
India

Dear Sirs,

#### **Statement of Possible Special Tax Benefits available to Polycab India Limited (formerly known as Polycab Wires Limited) ('the Company') and its shareholders under the Indian tax laws**

1. We hereby confirm that the enclosed Annexure 'A', prepared by Polycab India Limited (formerly known as Polycab Wires Limited) ('the Company'), provides the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the Act') and Income Tax Rules, 1962, as amended by the Finance Act 2018, i.e. applicable for the Financial Year 2018-19 relevant to the assessment year 2019-20, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. The benefits discussed in the enclosed statement are not exhaustive and the 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 to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the special tax implications arising out of their participation in the issue.
3. We do not express any opinion or provide any assurance as to whether:
  - i) the Company or its shareholders will continue to obtain these benefits in 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 their understanding of the business activities and operations of the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Sudhir Soni  
Partner  
Membership Number: 41870  
Place of Signature: Mumbai  
Date: October 26, 2018  
Enclosed Annexure 'A'



## Annexure 'A'

### STATEMENT OF POSSIBLE SPECIFIC DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The tax benefits listed in the Annexure are the possible tax benefits available to the Company and its shareholder under the Income-tax Act, 1961 ('the Act')

#### **Special Tax Benefits to the Company under the Act**

##### **1. Deduction under section 80-IA of the Act**

In accordance with and subject to the condition specified in Section 80-IA of the Act, a Company would be entitled for a deduction, of an amount equal to hundred per cent of profits or gains derived from an undertaking for the generation or generation and distribution of power if it begins to generate power at any time during the period beginning on the April 1, 1993 and ending on the March 31, 2017, for any ten consecutive assessment years ('AY') out of fifteen years beginning from the year in which the undertaking has started its operation. However, no deduction under section 80-IA is available for any undertaking set up after March 31, 2017. The Company avails the deduction under section 80-IA of the Act in respect of the windmill used for generation of power for captive consumption and the exemption is available upto assessment year 2021-22.

##### **2. Additional depreciation under section 32 of the Act**

Subject to the specified conditions under section 32(1)(iia) of the Act, assessee engaged in the business of manufacture or production of any article or thing or in the business of generation, transmission or distribution of power is allowed additional depreciation at the rate of 20 per cent on any new plant and machinery installed after March 31, 2005.

#### **Special Tax Benefits to the Shareholders under the Act**

There are no special tax benefits available to share holders

#### **Notes:**

- a) The above statement of possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.
- b) 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.
- c) The statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
  - the Company will continue to obtain these benefits in future;
  - the conditions prescribed for availing the benefits have been/ would be met with; and
  - the Revenue authorities/courts will concur with the view expressed herein.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The above views are based on the existing provisions of law 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.

- d) The above statement of possible direct tax benefits are as per the current direct tax laws relevant for the assessment year 2019-20. Several of these benefits are dependent on a company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
- e) Legislation, its judicial interpretations and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of the above. Unless specifically requested, we have no responsibility to carry out any review of our comments for changes in laws or regulations occurring after the date of issue of this note.
- f) 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 own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

- g) With respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- h) As per Finance Act, 2018 Education cess has been abolished and new Cess as Health and education cess has been introduced and is levied @ 4% for Fiscal Year 2019.

## TAXATION UNDER U.S. LAW

### Certain U.S. Federal Income Tax Considerations

The following discussion describes certain U.S. federal income tax consequences of the investment in shares, and is based upon the U.S. Internal Revenue Code of 1986 (the “Code”), the U.S. Treasury regulations promulgated thereunder, judicial decisions, revenue rulings and revenue procedures of the Internal Revenue Service (“IRS”), and other administrative pronouncements of the IRS, all available as of the date hereof. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below. No ruling will be sought from the IRS with respect to any statement in this discussion and there can be no assurance that the IRS will not challenge such statements, or, if challenged, that a court will uphold such statement. This discussion is applicable to U.S. Holders (as defined below) that hold the Equity Shares as capital assets for U.S. federal income tax purposes (generally property held for investment). This discussion does not address any U.S. federal estate or gift tax consequences, the alternative minimum tax, the Medicare tax on net investment income or any state, local, or non-U.S. tax consequences.

For purposes of this discussion a “U.S. Holder” is a beneficial owner of an ordinary share that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust.

This discussion does not address all U.S. federal income tax consequences applicable to any particular investor, and does not address all of the tax consequences applicable to persons subject to special treatment under the U.S. federal income tax laws, including a person who is:

- a dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organization;
- a person holding the Equity Shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting;
- a person liable for alternative minimum tax;
- a U.S. expatriate or former U.S. citizen or long-term resident;
- an investor that holds shares through a financial account at a foreign financial institution that does not meet the requirements to be exempt from withholding with respect to certain payments under Section 1471 of the Code;
- persons who acquired shares pursuant to the exercise of any employee share option or otherwise as compensation;
- partnerships or other pass-through entities, or persons holding shares through such partnerships or other pass-through entities;
- a person who actually or constructively owns 10% or more of the total combined value of all classes of our stock by vote or value; or
- a person whose functional currency is not the U.S. dollar.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds shares, the tax treatment of a partner will depend upon the status of the partner and the activities of the partnership. Partnerships considering an investment in the Equity Shares should consult their own tax advisors as to the particular U.S. federal income tax consequences of acquiring, holding and disposing of the Equity Shares.

Investors are urged to consult their tax advisors about the application of the U.S. federal tax rules to their particular circumstances as well as the state, local, non-U.S. and other tax consequences to them of the purchase, ownership, and disposition of the Equity Shares.

We expect, and this summary assumes, that we will not be a passive foreign investment company for U.S. federal income tax purposes. See the discussion under “*Passive Foreign Investment Company*.”

### ***Distributions on Equity Shares***

Distributions, including any Indian taxes withheld with respect to such distributions will be includible in a U.S. Holder’s income as dividends to the extent paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that the amount of any distribution exceeds our current and accumulated earnings and profits for a taxable year, as determined under U.S. federal income tax principles, the distribution will first be treated as a tax free return of capital, and the balance in excess of a U.S. Holder’s adjusted tax basis in the Equity Shares will be taxed as capital gain recognized on a sale or exchange. However, we do not expect to calculate our earnings and profits in accordance with U.S. federal income tax principles, and, accordingly, U.S. Holders should expect that a distribution will generally be treated as a dividend. Such dividends will not be eligible for the dividends received deduction allowed to U.S. corporations for certain dividends.

With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends may be taxed at the lower capital gain rates applicable to “qualified dividend income”, provided (1) we are eligible for the benefits of the income tax treaty between the United States and India (the “**Treaty**”), (2) we are neither a PFIC nor treated as such with respect to a U.S. Holder (as discussed below) for either the taxable year in which the dividend was paid or the preceding taxable year, (3) certain holding period requirements are met and (4) U.S. Holders are not under an obligation to make related payments with respect to positions in substantially similar or related property. We expect to be eligible for Treaty benefits as long as there is substantial and regular trading of the Equity Shares on the BSE and NSE. U.S. Holders should consult their tax advisors regarding the availability of the lower capital gain rates applicable to qualified dividend income for dividends paid with respect to the Equity Shares.

U.S. Holders should consult their own tax advisors regarding how to account for distributions that are paid in a currency other than the U.S. dollar.

### ***Sale or Other Taxable Disposition of Equity Shares***

A U.S. Holder will recognize U.S. source capital gain or loss upon the sale or other taxable disposition of Equity Shares in an amount equal to the difference between the U.S. dollar value of the amount realized upon the disposition and the U.S. Holder’s adjusted tax basis in such shares. Any capital gain or loss will be long-term if the Equity Shares have been held for more than one year at the time of the sale or other taxable disposition. Certain non-corporate U.S. Holders, including individuals, are eligible for reduced rates of taxation on long-term capital gains. The deductibility of capital losses is subject to limitations.

U.S. Holders should consult their own tax advisors regarding how to account for sale or other disposition proceeds that are paid in a currency other than the U.S. dollar.

### ***Treatment of Non-U.S. Taxes***

U.S. tax rules relating to foreign tax credits and deductions for non-U.S. taxes paid are complex. U.S. Holders should consult their own advisors about the applicability of these rules to their particular circumstances.

### ***Passive Foreign Investment Company***

In general, a non-U.S. corporation will be a PFIC for any taxable year in which either (i) 75 per cent. or more of its gross income consists of passive income or (ii) 50 per cent. or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25 per cent. by value of the stock of another corporation is treated as if it held its proportionate share of the assets of such other corporation and received directly its proportionate share of the income of such other corporation. For this purpose, passive income generally includes, among other items, dividends, interest, gains from certain commodities transactions, certain rents and royalties and gains from the disposition of passive assets.

Based on the nature of our business and the composition of our income and assets, we do not expect to be classified as a PFIC for the preceding taxable year, for the current taxable year or in the foreseeable future. However, PFIC status depends on facts that generally are not determinable until after the close of the taxable year. In addition, because our status depends upon the

composition of our income and assets and the market value of our assets from time to time, there can be no assurance that we will not be classified as a PFIC for any particular taxable year.

If we were classified as a PFIC at any time during a U.S. Holder's holding period, such U.S. Holder could be subject to materially adverse tax consequences including being subject to greater amounts of tax on gains and certain distributions on our Equity Shares as well as additional tax reporting obligations. U.S. Holders should consult their tax advisors about the consequences if we are classified as a PFIC.

***Information Reporting and Backup Withholding***

A U.S. Holder may be subject to information reporting on amounts received by such U.S. Holder from a distribution on, or disposition of shares, unless such U.S. Holder establishes that it is exempt from these rules. If a U.S. Holder does not establish that it is exempt from these rules, it may be subject to backup withholding on the amounts received unless it provides a taxpayer identification number and otherwise complies with the requirements of the backup withholding rules. Backup withholding is not an additional tax and the amount of any backup withholding from a payment that is received will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

In addition, U.S. Holders should consult their tax advisors about any reporting obligations that may apply as a result of the acquisition, holding or disposition of the Equity Shares. Failure to comply with applicable reporting obligations could result in the imposition of substantial penalties.

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

We have commissioned CRISIL Research to undertake a research report titled “Assessment of Electrical Products Industry in India - October, 2018”, (the “**CRISIL Report**”) for reference in this Draft Red Herring Prospectus. The CRISIL Report uses certain methodologies for market sizing and forecasting. Neither we, any of the Lead Managers, nor any other person connected with the Offer, have independently verified such data and therefore, while we believe them to be true, we cannot assure you 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 and are not responsible for any errors or omissions or for the results obtained from the use of the data or their report. Accordingly, investors should not place undue reliance on, or base their investment decision solely on, this information.

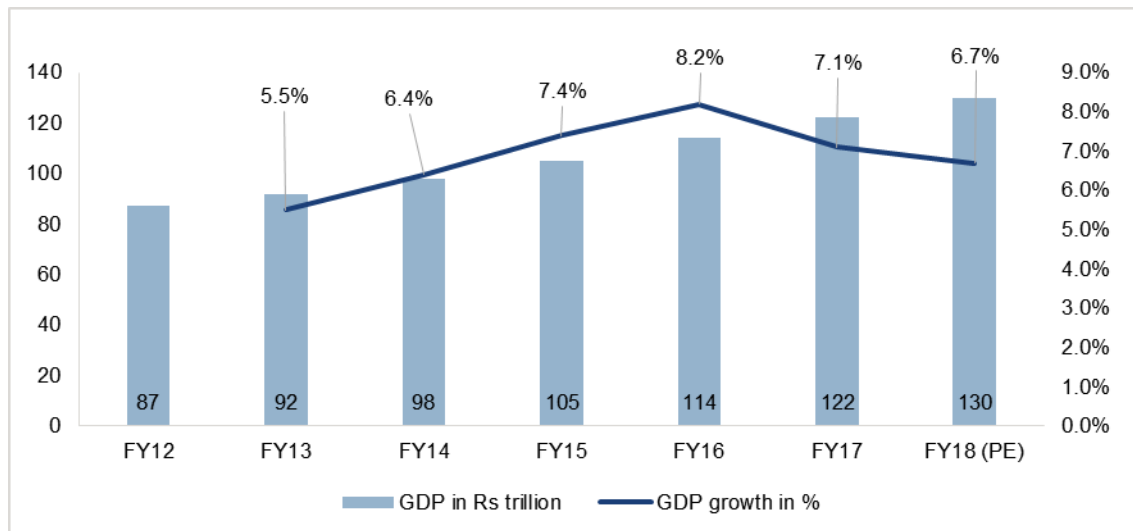
Industry and market data used in this section have been extracted from the CRISIL Report. For further details and risks in relation to the CRISIL Report, see “Risk Factors – Internal Risk Factors – We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.” on page 41.

#### Overview of Indian economy

##### **GDP grew at 6.9% CAGR over the past six fiscal years and forecasted to grow at 7.5% in fiscal 2019**

India adopted fiscal 2012 as the new base year for calculating gross domestic product (“**GDP**”). On this basis, the GDP rose at 6.9% compound annual growth rate (“**CAGR**”) between fiscals 2012 and 2018 to Rs 130 trillion. As per statistics from the Central Statistics Office, in fiscal 2018, the GDP expanded 6.7% with faster growth in the second half of the fiscal year as compared to the first half of the fiscal year.

##### *Real GDP growth in India (new GDP series)*



Note: Provisional estimate

Source: Provisional estimates of national income 2017-18, Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), CRISIL Research

GDP growth showed a sharp upturn in the fourth quarter of fiscal 2018. CRISIL Research expects the momentum to continue and lift growth to 7.5% in fiscal 2019, compared with growth of 6.7% in fiscal 2018. Factors contributing to this growth are a third straight year of normal and consistently distributed monsoon, the rectification of issues related to the Goods and Services Tax (“**GST**”), the declining impact of demonetisation, budgetary support of the rural economy, and a low-base effect.

The increased growth in fiscal 2019 would be consumption-led, with mild support from investments. Growth will be supported by a normal monsoon in 2018, benign interest rates, return of demand, and implementation of pay commission / house rent allowance revisions at the state government level, together with the central government’s thrust on rural and infrastructure sectors.

India's exports should also be lifted by quick resolution of GST-related issues and faster trade growth, supported by cyclical recovery in the global economy. Recapitalisation of public sector banks will allow funding support from banks and support growth.

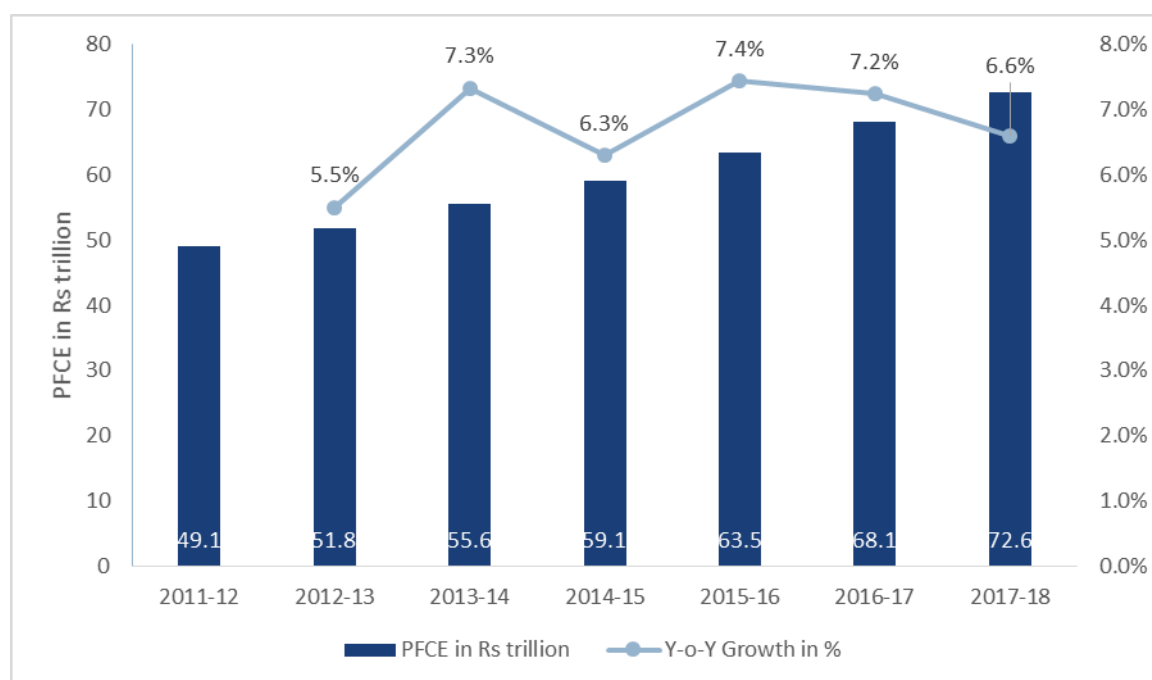
However, escalating trade tensions could prematurely derail global growth momentum, which would have an adverse impact on India's exports. In addition, there is a downside risk to the estimate if crude oil prices persist at current levels. These factors pose risks to GDP growth.

**Private final consumption expenditure as percentage of GDP was 59.1% in fiscal 2018**

According to National accounts statistics 2018 released by the Ministry of Statistics and Program Implementation ("MoSPI"), private final consumption expenditure ("PFCE") at current prices was estimated at Rs 99 trillion in fiscal 2018, compared with Rs 90 trillion in fiscal 2017.

According to MoSPI, the PFCE was estimated at Rs 73 trillion in fiscal 2018 at constant (2011-12) prices, compared with Rs 68 trillion in fiscal 2017. PFCE constitutes a significant component of GDP, contributing to 55.8% of GDP in fiscal 2018.

*Private final consumption expenditure*



Source: National Accounts Statistics 2018 CSO, CRISIL Research  
(Fiscal 2018 statistics are referred from "Provisional Estimates of Annual National Income, 2017-18" released on May 31, 2018.)

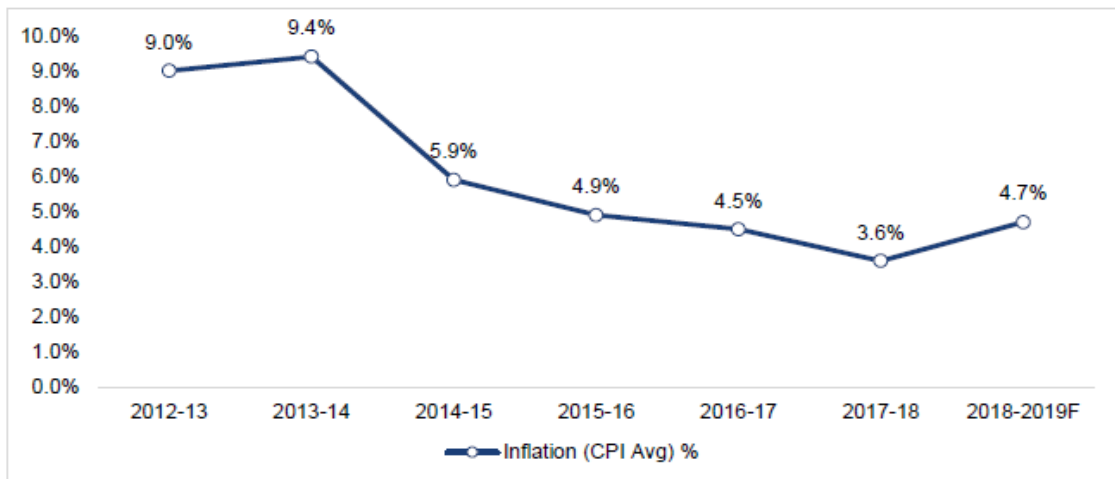
*Private final consumption expenditure as % of GDP*

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18
PFCE as % of GDP	56.2	56.2	56.7	56.2	55.8	55.9	55.8

Source: National accounts statistics 2018, MoSPI (CSO), CRISIL Research

**CPI inflation is expected to rise from 3.6% in fiscal 2018 to 4.7% in fiscal 2019**

*Annual consumer price index inflation trend*



F: Forecast

Source: CRISIL Research

Inflation based on the consumer price index (“CPI”) steadily increased earlier in the year from 4.6% in April 2018 to 4.9% in May 2018. Fuel was the main driver of overall inflation in May 2018, increasing by over 100 basis points (“bps”), while core inflation, which had been an issue for the central bank in April 2018, increased by 20 bps, nearly touching 6%. Food inflation also contributed to the increase, which rose 30 bps after having declined for four months consecutively.

However, CPI inflation has since declined for the third consecutive month, falling 50 bps to 3.7% in August, 2018, compared with 4.2% in July, 2018. This indicates that the increase in fuel and housing inflation is yet to translate into a generalised pick-up in CPI inflation.

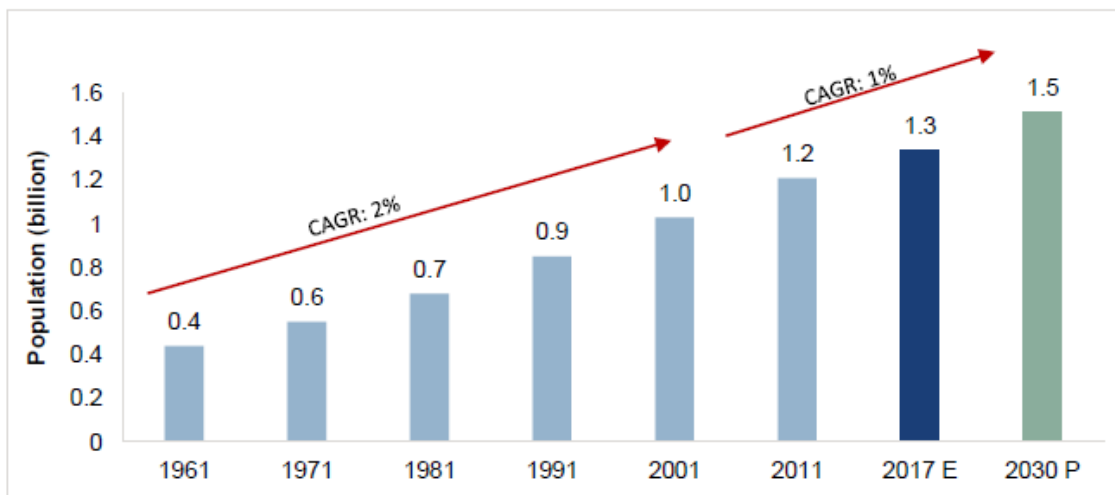
CRISIL Research expects CPI inflation to rise to 4.7% in fiscal 2019 from the 3.6% average seen in fiscal 2018. Other than higher fuel and core inflation, a likely increase in food inflation (due to upward revision of minimum support prices) and the translation of higher fuel inflation into generalized inflation should drive the CPI inflation average higher.

**Urbanisation likely to reach 35% by 2020**

India’s total population was approximately 1.2 billion and comprised nearly 246 million households, per the Census 2011. From 2001 to 2011, the population grew at a 1.8% CAGR.

According to results of ‘The 2017 Revision of the World Population Prospects’ by the United Nations population estimates and projections, India and China remain the two most populous countries, China being the most populous. The report further projects India’s population to grow at 1.2% CAGR by 2030 to 1.5 billion, becoming the world’s most populous country, surpassing China which is projected to grow to 1.4 billion in 2030.

*India’s population growth*



E: Estimated; P: Projected

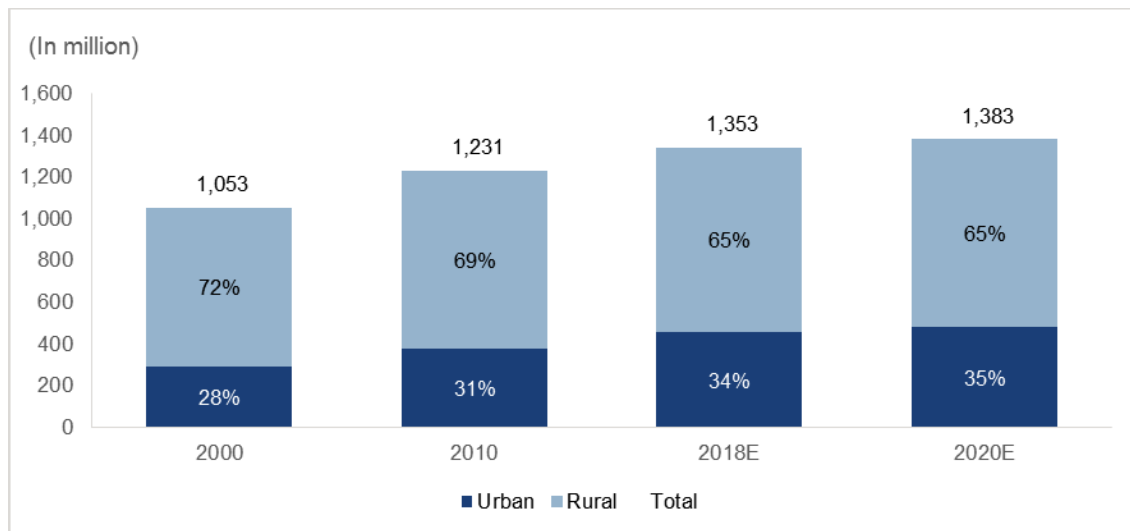


Note: Figures stated are for calendar year.

Source: World Population Prospects: The 2017 Revision, United Nations, CRISIL Research

The share of India’s urban population in relation to total population has been rising over the years, and stood at approximately 31% in calendar year 2010. People from rural areas move to cities for better job opportunities, education and a better life amongst other reasons. Entire families or only a few individuals (generally an earning member or students) may migrate, while the rest of the family continues to live in the native house in the latter instance. A United Nations report, World Urbanization Prospects: The 2018 Revision, expects nearly 35% of the country’s population to live in urban areas by 2020.

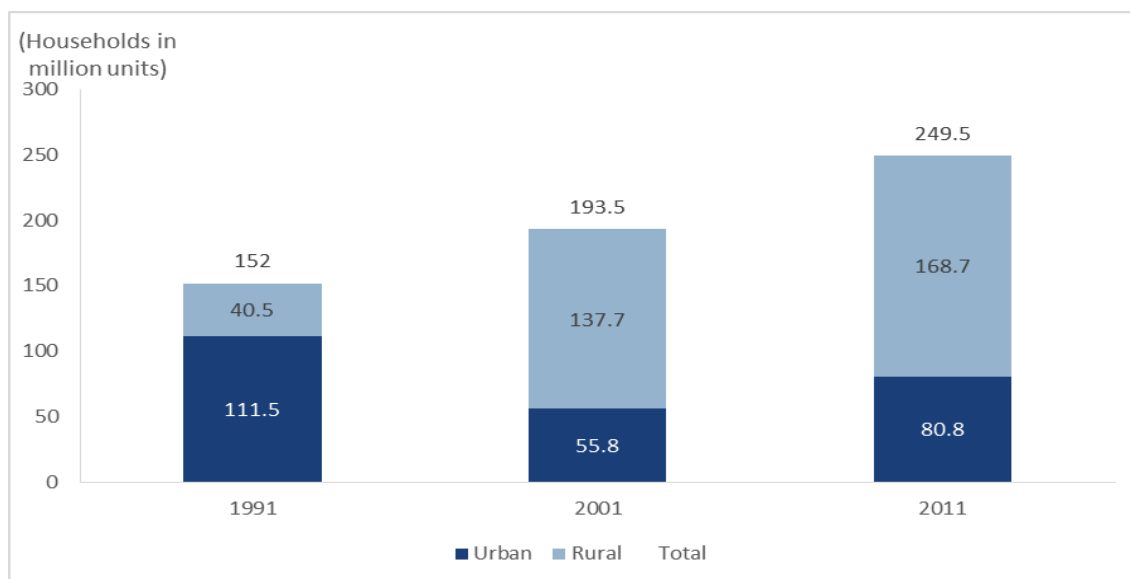
*Urbanisation trend (million)*



E: Estimated

Source: World Urbanization Prospects: The 2018 Revision (UN), CRISIL Research

*Number of households (in millions)*



Source: India in Figures 2018, CSO, MOSPI, CRISIL Research

**Per capita income grew steadily over the last five years**

India’s per capita income, a broad indicator of living standards, grew steadily in the three years leading up to fiscal 2018. Per capita net national income (“NNI”), at current prices, rose 8.6% from ₹ 103,870 in fiscal 2017 to ₹ 112,835 in fiscal 2018, according to data released on May 31, 2018 by the Ministry of Statistics and Programme Implementation. Calculated on the basis of constant prices, with fiscal 2012 as a base, per capita income grew by 5.4% from ₹ 82,229 in fiscal 2017 to ₹ 86,668 in fiscal 2018.

*Per capita GDP and NNI trend (Rs)*

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (PE)
<b>Per capita GDP</b>							
At current prices	71,609	80,518	89,796	98,405	107,280	117,427	127,456
Y-o-Y Growth (%)		12.4%	11.5%	9.6%	9.0%	9.5%	8.5%
At constant prices	71,609	74,599	78,348	83,091	88,746	93,888	98,867
Y-o-Y Growth (%)		4.2%	5.0%	6.1%	6.8%	5.8%	5.3%
<b>Per capita NNI</b>							
At current prices	63,462	70,983	79,118	86,647	94,731	103,870	112,835
Y-o-Y Growth (%)		11.9%	11.5%	9.5%	9.3%	9.6%	8.6%
At constant prices	63,462	65,538	68,572	72,805	77,826	82,229	86,668
Y-o-Y Growth (%)		3.3%	4.6%	6.2%	6.9%	5.7%	5.4%

PE: Provisional estimates

Source: Provisional estimates of national income 2017-18, CSO, CRISIL Research

**IMF expects uptick in global GDP growth in fiscal 2019**

According to the IMF's April 2018 world economic outlook, global GDP growth strengthened to 3.8% in calendar year 2017, driven by an increase in investment in advanced economies and continued strong growth in emerging Asia and emerging Europe.

At 3.8%, global growth in calendar year 2017 was 0.5% higher than in calendar year 2016 and was the strongest since calendar year 2011. The United States (US), Euro Area and Japan demonstrated growth above average expectations in calendar year 2017, expanding at 2.3%, 2.3% and 1.7%, respectively. China, now the world's second-largest economy with the highest GDP, grew at 6.9% in calendar year 2017.

*Real GDP growth (annual % change)*

Countries / group of countries	2015	2016	2017	2018P	2019P
United States	2.9	1.5	2.3	2.9	2.7
United Kingdom	2.3	1.9	1.8	1.4	1.5
Euro area	2.1	1.8	2.3	2.2	1.9
China	6.9	6.7	6.9	6.6	6.4
Japan	1.4	0.9	1.7	1.0	0.9
India	8.2	7.1	6.7	7.3	7.5
United Arab Emirates	3.8	3.0	0.5	2.0	3.0

P: Projected

Figures are for calendar year, except for India where the official reporting is April/March.

2018P and 2019P reflects WEO July 2018 update.

Source: World Economic Outlook, April 2018, IMF, CRISIL Research

The IMF expects global growth to increase to 3.9% in calendar year 2018 and calendar year 2019, supported by strong momentum, favourable market sentiment, accommodating financial conditions, and the domestic and international repercussions of expansionary fiscal policy in the US. However, the IMF identifies the shift towards inward-looking policies that harm international trade as a risk to the current growth momentum. The tariffs announced in calendar year 2018 and anticipated tariff increases by the US and retaliatory measures from trading partners have increased the likelihood of escalating and sustained trade actions.

## Review and outlook of Indian cables and wires industry

*The domestic cables and wires industry grew at approximately 23% CAGR by volume during fiscals 2014 to 2018*

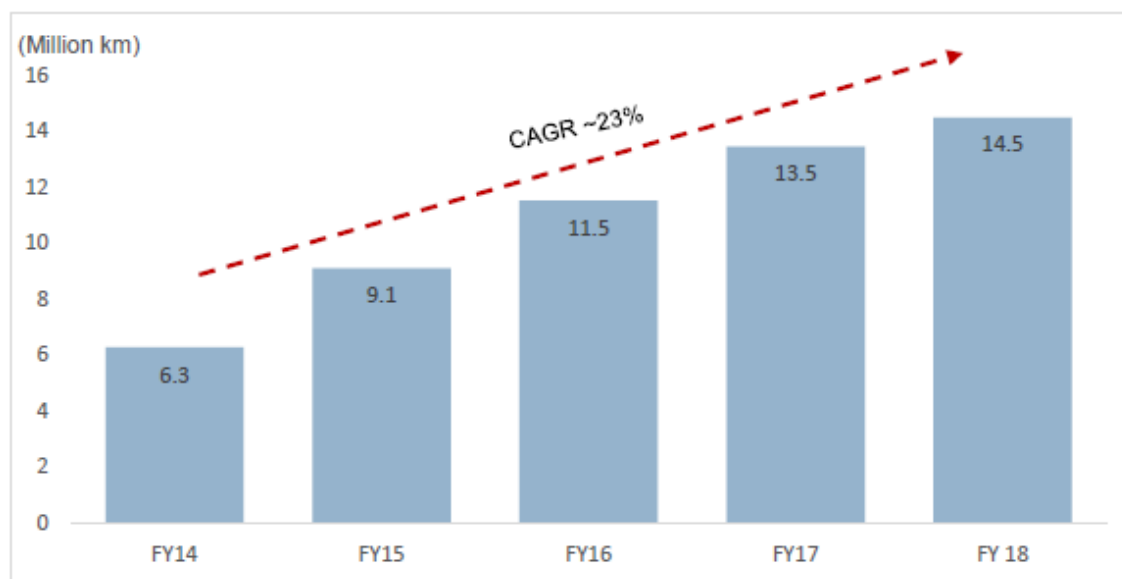
CRISIL Research has defined the cables and wires industry in India to include power cables, building wires, instrumentation and control cables, telecom cables (excluding OFC), elastomeric cables and other flexible and special application cables used in various industrial sectors.

The cables and wires industry in India has seen many improvements in the last decade. It has grown from a small industry to a substantially large one during this period. The electrical cables and wires segment of the industry constitutes 40-45% of the electrical equipment industry in India, which constitutes 8% of the manufacturing sector in terms of value, and 1.5% of the overall GDP in fiscal 2018. The increasing demand for power, light and communication (voice as well as data) has kept the demand for cables and wires high.

CRISIL Research has estimated the domestic cables and wires industry by volume based on production data reported by members of Indian Electrical and Electronics Manufacturers Association (“**IEEMA**”). On the basis of the production data, CRISIL Research estimates the total domestic cables and wires industry to have grown by approximately 23% CAGR from 6.3 million kms to 14.5 million kms between fiscals 2014 and 2018. The domestic industry size consists of total production for domestic consumption and exports. The growth by volume was on account of factors such as the electrification of rural villages and households (Power for All); investments in transmission and distribution systems for modernisation and increasing efficiencies; increased demand from renewable power generation, particularly solar and wind energy; infrastructure development initiatives taken by the Indian government such as Smart Cities Mission, and mass transit systems; and improved life-style and consumer spending.

Investments in power transmission projects, execution of solar and wind energy projects, metro rail projects, and increased household spending have all led to an increase in demand for power and building wires and cables. Further, growth in the industrial sector has resulted in increased demand for flexible cables and wires and control and instrumentation cables.

*Size of the domestic cables and wires industry (million km.)*



*Note: Optical fibre cables are not included. Flexible cables and other cables include home appliance cables, automotive cables, audio cables, CATV, LAN cables, etc. Power transmission cables include low-voltage, high-voltage and extra high voltage cables. The domestic industry size consists of total production for domestic consumption and exports.*

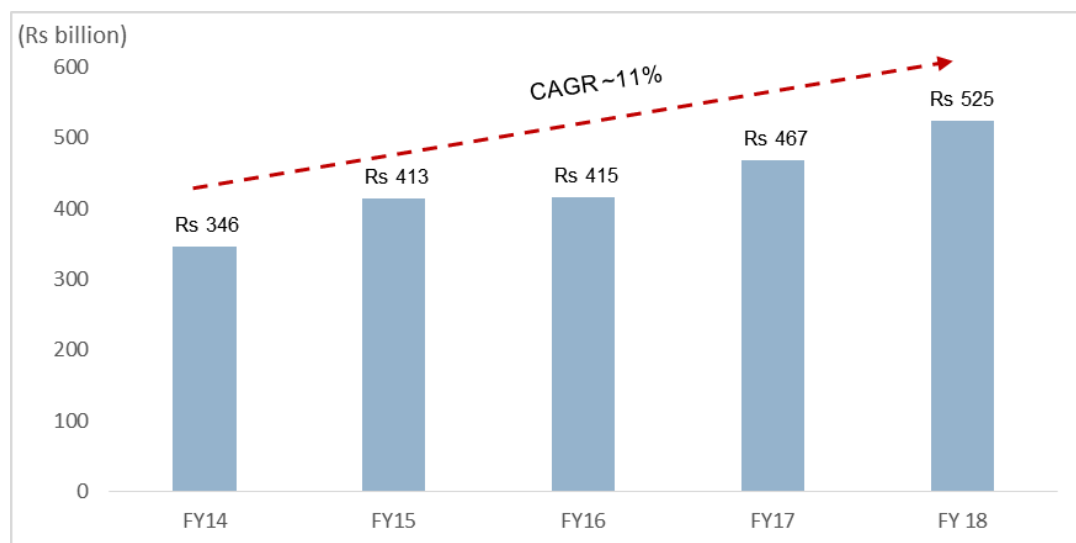
*Source: IEEMA, CRISIL Research*

**Domestic cables and wires industry grew at approximately 11% CAGR by value (manufacturers' realisations) during fiscals 2014 to 2018**

In order to estimate the domestic cables and wires industry by value, CRISIL Research has considered the average realisations across product categories at the manufacturers' level. Industry interactions indicate that given the nature of the products and their end-use applications, institutional or B2B sales (including those to governments) in the cables and wires industry occupy a major share. These institutional or B2B sales typically take place at realisations at the manufacturers level. Moreover, the variation between manufacturers' realisations and the printed retail prices (B2C sales) can be as high as 30-40%. Considering these factors, the average realisations of manufacturers is considered to depict an estimate of the CAGR of the domestic cables and wires industry.

Accordingly, the Indian cables and wires industry has grown at a CAGR of approximately 11% by value in the last five years to reach Rs 525 billion in fiscal 2018. In general, realisation of the cables and wires industry follows the trend of key raw materials prices, mainly copper and aluminium. Decrease in realisations on account of decrease in raw material prices is at times offset by the increase in sales quantity, thereby moderating the effect of price volatility on revenues of players to some extent.

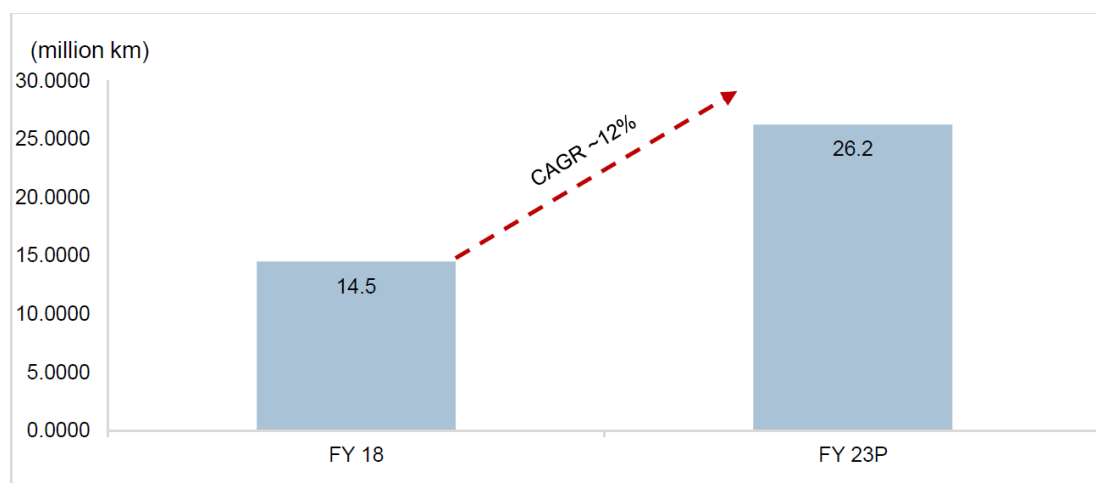
**Domestic industry size of cables and wires industry (on the basis of manufacturers' realisation) (Rs billion)**



Note: The domestic industry size consists of total revenues from domestic consumption and exports.  
Source: IEEMA, CRISIL Research

**Government initiatives in power and infrastructure will remain major contributors to growth in the future**

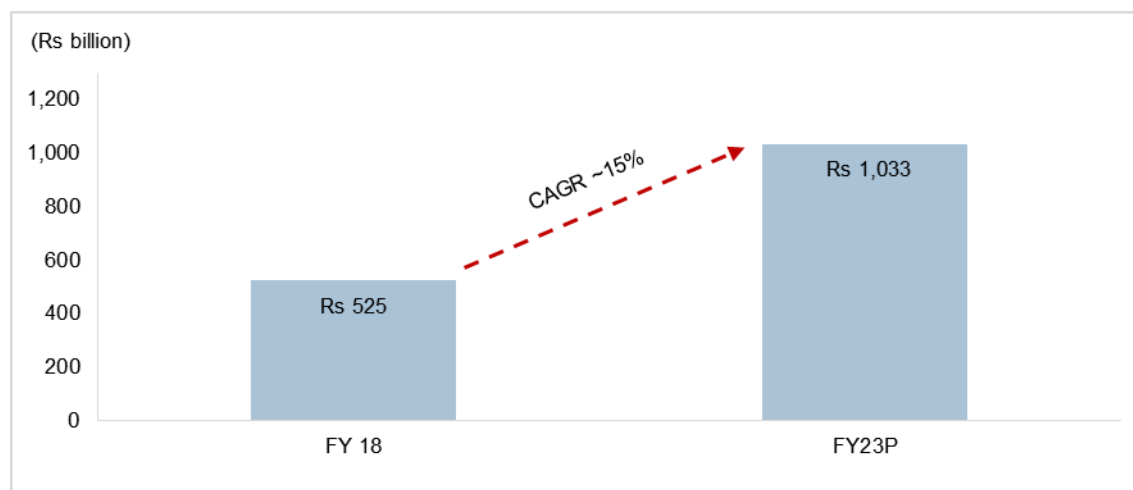
**Projected size of domestic cables and wires industry - Till FY23 (million km)**



P: Projected  
Source: CRISIL Research

CRISIL Research expects the domestic cables and wires industry to expand by approximately 12% CAGR and reach an estimated 26.2 million kms by fiscal 2023. In value terms, CRISIL Research expects the industry to grow by approximately 15% CAGR and reach an estimated Rs 1,033 billion by fiscal 2023.

*Projected size of domestic cables and wires industry - On the basis of manufacturers' realisation (in Rs billion)*



*P: Projected*

*Source: CRISIL Research*

CRISIL Research expects demand for building wires and power cables to be spurred by government schemes such as Pradhan Mantri Sahaj Bijli Har Ghar Yojana (**'Saubhagya'** scheme) and Power for All, focusing on electrification of rural households and T&D efficiencies, as well as an increase in cabling demand from commercial establishments and public utilities. Growth in Renewable energy capacities will drive demand for solar cables and elastomeric cables used in windmill applications. CRISIL Research also expects the demand for HFFR grade solar power cables to be boosted by 40-41 GW of solar capacity additions under the government's National Solar Mission. Emphasis on Underground cables network for power distribution will increase demand for Low-Voltage (**"LV"**) power cables (XLPE).

Increased infrastructure spending by the government will boost growth in cables and wires as new construction activities will increase demand for elastomeric and flexible cables, development in infrastructure drives growth for commercial and industrial buildings thus increasing demand for building wires and LV cables. Demand for fire survival cables will be supported by metro, airport and commercial real estate projects.

*T&D network augmentation to support demand growth*

CRISIL Research expects the demand for energy to increase by 6.8-7% CAGR over the next 5 years. As a result, the T&D segment is also poised to experience robust growth.

T&D accounts for a major share in the demand for power cable. India's inter-regional power transmission capacity has increased from 17 GW in fiscal 2007 to 86 GW in fiscal 2018 and is further expected to increase to 130 GW by fiscal 2023 per the government's target. The government's focus on providing electricity to rural areas has led to the power T&D system being extended to remote villages.

With the government's focus on alleviating congestion, transmission capacities are expected to experience moderate growth. According to the targets set by the Ministry of Power, about 250-260 GVA transformation capacity (above 220 kV level) is expected to be added between fiscals 2019 and 2023 to reach cumulative transformation capacity of 1070 GVA by March 2023. In particular, CRISIL Research expects robust growth in high voltage lines of 400kV and 765kV, owing to its importance in inter-state transmission lines, given the following government targets:

- inter-regional transmission capacity expansion to 130 GW by fiscal 2023 from 86 GW in fiscal 2018; and
- ultra-high capacity green energy corridors investment worth Rs 430 billion.

The government has set higher investments targets over the 13<sup>th</sup> Plan (2017-2022) at Rs 3-3.2 trillion as compared with Rs 2.1-2.2 trillion over the 12<sup>th</sup> Plan (2012-2017), as illustrated by Ministry of Power. CRISIL Research expects investment in the transmission segment (approximately Rs 3 trillion) to moderately increase over the next 5 years, led by robust investments in inter-regional transmission by Power Grid Corporation of India Ltd, coupled with steady investments from various states to augment intra-state networks. Planned strengthening of the inter-state transmission system in West Bengal & North Eastern Railway and associated transmission systems within states, as well as huge investments in the ultra-high capacity green energy corridors would drive the transmission sector's growth. Increasing private sector participation will also support transmission sector investments.

CRISIL Research expects investment of approximately Rs 2.6-2.8 trillion in the distribution segment to be driven by increased outlay from the central government on various distribution related schemes such as Deendayal Upadhyaya Gram Jyoti Yojana

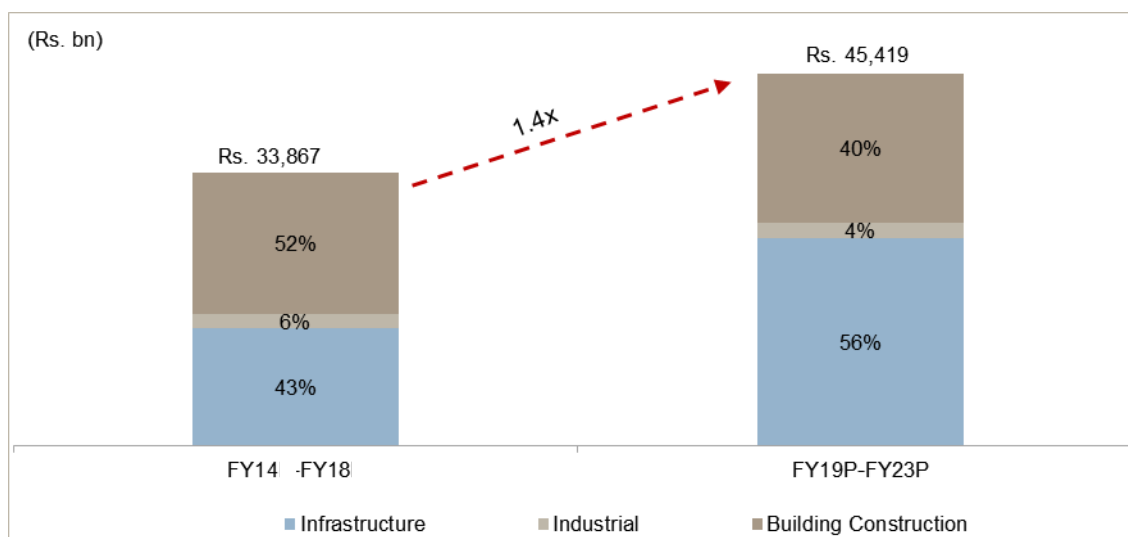
(“DDUGJY”) and Integrated Power Development Scheme (“IPDS”), and state investments to reduce AT&C losses. Accordingly, CRISIL Research expects improvement in T&D infrastructure coupled with agricultural feeder segregation and extensive rural electrification under DDUGJY will drive up power demand in the next 5 years. T&D will account for approximately 70% of the total investments in the power sector by then, as against approximately 46% in the previous 5 years. That represents roughly 42% growth in investment over the two time periods.

*Construction sector, led by investment in infrastructure segment, will boost growth in cables and wires industry.*

CRISIL Research estimates overall construction spend in key infrastructure sectors to rise over the next 5 years, aided by several recent policy reforms. Roads are expected to drive the majority of the construction spend; investments in urban infrastructure, irrigation, and railways are expected to grow at a fast pace.

CRISIL Research estimates investments in the construction sector to register 7-8% CAGR with cumulative investments of Rs 45,419 billion between fiscals 2019 and 2023, as compared with 2.2% CAGR and cumulative investments of Rs 33,867 billion between fiscals 2014 and 2018, driven by growth of 10 - 12% in the infrastructure segment.

*Overall construction investments (Rs billion)*



*E: Estimated; P: Projected  
Source: CRISIL Research*

CRISIL Research expects the share of infrastructure projects to increase to 55-60% in the next 5 years, as against 43% in the past 5 years. The central government’s focus on roads, urban infrastructure, and railways will boost infrastructure investments.

**Roads:** CRISIL Research expects investments in the construction of roads to pick up by approximately 90% with expected cumulative spending of Rs 10,928 billion between fiscals 2019 and 2023, on account of increased awarding by the National Highways Authority of India.

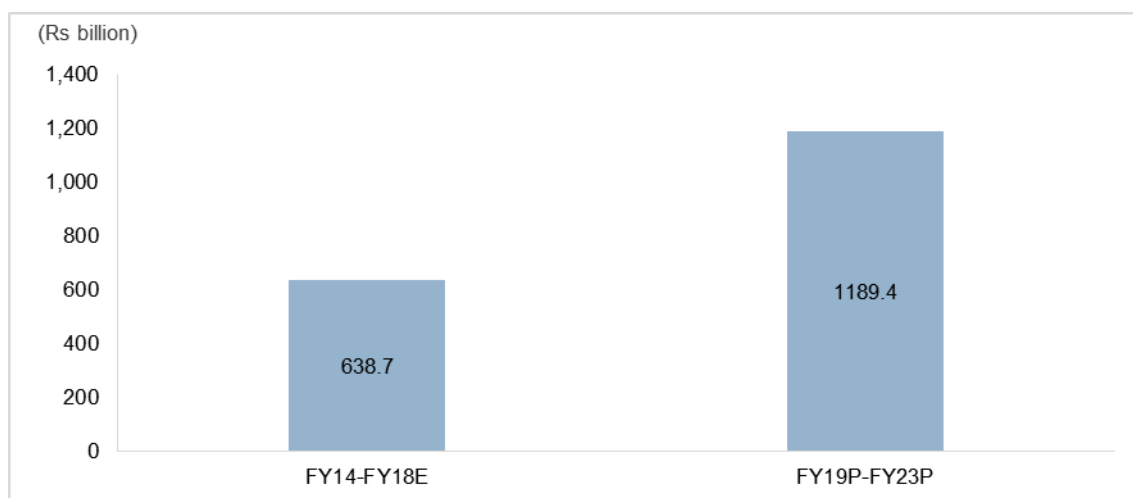
**Railways:** The Central Government announced a planned outlay of Rs 1.5 trillion for the Railways in the Union Budget for fiscal 2019, 22% higher than the previous year’s revised estimates. Networking decongestion, network expansion (including electrification), and high-speed rail, will boost demand for cables and wires. CRISIL Research expects construction expenditure in railway projects to grow 2.4 times (13% CAGR) with cumulative spending of Rs 4,069 billion between fiscals 2019 and 2023, compared with cumulative spending of Rs 1,731 billion during the previous 5 years.

**Urban infrastructure:** The government’s investment focus on smart cities and metro construction in major Indian cities will drive growth for various types of cables and wires. The government approved a budget of Rs 480 billion for the development of 100 smart cities over 5 years beginning fiscal 2017, with a focus on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education, pushing infrastructure spending further. Smart Cities Mission proposes investments in underground cables at 5.2%, power supply digitalisation in commercial and public spaces at approximately 1.5%, housing development at approximately 11%, as per the Ministry of Housing and Urban Affairs (“MoUD”) investment estimates for 90 smart cities. CRISIL Research expects this to have a positive impact on demand for building wires, power and telecom cables (including OFC).

CRISIL Research expects metro projects to be the second-largest urban infrastructure investment contributor over the next five years. CRISIL Research estimates construction spends on metros to increase 1.9 times to approximately Rs 1.1 trillion over fiscals 2019-2023. In the Union Budget of fiscal 2018, allocation of spending to metro projects rose by 80% over fiscal 2017

budget estimates. The revised estimates of fiscal 2017 were 57% higher than the initial budget estimates. Additionally, a new metro rail policy was announced in the budget, targeted at developing private investor interest in the segment.

*Construction spends in metro projects (Rs billion)*



E: Estimated, P: Projected  
Source: CRISIL Research

*Other infrastructure:* CRISIL Research forecasts construction investments to decline in power but to rise in renewable generation capacity. Further investment in ports will slow down, but CRISIL Research expects investment in airports and warehouses to see stronger growth. Overall, CRISIL Research expects the construction spends in these segments to increase by 5.3% in the next 5 years.

*Building construction:* The three segments that CRISIL Research expects to drive growth in building construction are affordable housing (Pradhan Mantri Awas Yojana), healthcare and education. Increase building construction activity will lead to a rise in demand for cables and wires, especially in the house wires segment.

The real estate industry had been in focus over the past 2 years, with various developments such as demonetisation, enactment of the Real Estate (Regulation and Development) Act (RERA) and the GST impacting the sector deeply. Though these developments gave rise to short-term woes, CRISIL Research expects the industry to benefit in the long term, through the resulting increased demand for house wires.

CRISIL Research expects residential and commercial construction combined to rise 6-7% CAGR between fiscals 2019 and 2023, compared with -2.5% over the past five 5 years. This will translate to a significant increase in demand for house wires and LV power cables.

Healthier growth from the residential real estate sector (especially in tier II and III cities as compared to metros and tier I cities) will drive demand for building wires and data cables.

Flame Retardant (“FR”) cables account for major share of the building wire segment’s demand, followed by Flame Retardant Low Smoke (“FRLS”) cables and Halogen Free FR (“HFFR”) cables. With recent fire incidents resulting in deaths of victims, the Bureau of Indian Standards is considering HFFR regulations for cables up to 1.1 kV. The industry expects the regulation to come into force by fiscal 2019 or 2020. While implementation of the regulation is still a year or two away, CRISIL Research expects commercial establishments such as hotels, hospitals and malls and luxury housing developers to actively install HFFR cables, considering safety concerns. Even after enforcement of the regulation, CRISIL Research estimates that the shift from PVC FR/FRLS wires to HFFR wires will be gradual till fiscal 2022 as the implementation of the regulation is delegated to local bodies.

*Industrial construction:* CRISIL Research estimates construction investment in the industrial segment to remain stagnant at Rs 1.9 trillion between fiscals 2019 and 2023, compared to the Rs 1.87 trillion investment between fiscals 2014 and 2018 on account of underutilisation of current capacities and low-to-moderate growth prospects. While CRISIL Research expects investments in the oil and gas and automobile sectors to increase, this increase is likely to be mitigated by a fall in investments in metals, petrochemicals, and textiles.

CRISIL Research expects the construction investment in the oil and gas and automobile sectors to grow at approximately 20% and 30% respectively over fiscals 2019-2023, with a cumulative spending of Rs 1041 billion and Rs 282 billion respectively over this period. This increase will boost demand for cables and wires industry. Electrification investment in railways will further push growth for elastomeric control cables and railway signalling cables.

## Rise in Consumer Spending

CRISIL Research expects changing trends in relation to home improvements and increasing disposable incomes to boost demand for retail building wires segment. Rising disposable incomes will further drive demand for household appliances and automobiles, which CRISIL Research expects to have a positive impact on demand for flexible cables. Furthermore, growing demand for improved products such as HFFR cables and solar cables and the introduction of innovative products such as Power over Ethernet (“PoE”) will lead to increase in realisations from premium products.

### Factors driving growth across various categories of the cables and wires industry in India

<b>Power Cables</b>	Investments in power transmission and distribution (approximately 42% growth in FY19-FY23)
	Capacity addition in solar and wind energy
	Smart Cities Mission
<b>Building Wires</b>	Affordable housing scheme
	Growing nuclearisation of families
	Investments in commercial and residential infrastructure (approximately 35% growth in FY19-FY23)
<b>Elastomeric and Flexible Cables / Wires</b>	Automobile industry growth and increasing investments in railways for electrification
	Growing demand for household appliances and automobiles due to revival in per capita income
	Increased construction activity supported by growing infrastructure projects
<b>Control and Instrumentation Cables</b>	Industrial capex rising across industries such as auto, steel, oil and gas, and power.
	Investment expenditure by Indian Railways and in other mass transit systems
	Increased focus on automation in manufacturing and processing to monitor and control quality
<b>Switchboard and telecom Cables</b>	Service and industrial sector growth increasing the need for data cables
	Intercom and Security system penetration in residential buildings
	Smart cities project
	Surge in internet users, with internet penetration as a percentage of total households reaching 60% by fiscal 2023

Source: CRISIL Research

All of the above drivers indicate growth in the domestic cables and wires industry in the medium to long term. On this basis, CRISIL Research expects the domestic cables and wires industry to expand by approximately 12% CAGR and reach an estimated 26.2 million kms by fiscal 2023. CRISIL Research expects the industry to grow by approximately 15% CAGR by value and reach an estimated Rs 1,033 billion by fiscal 2023.

### Ministry of Heavy Industries & Public Enterprises’ vision for growth in Electrical Equipment industry

The Ministry of Heavy Industries & Public Enterprises in its report titled ‘Indian Electrical Equipment Industry Mission Plan 2012 – 2022’ had set a vision for the Indian Electrical Equipment (EE) Industry to make India the country of choice for production of electrical equipment and reach an output of US\$ 100 billion by balancing exports and imports. The ministry envisaged the EE industry to grow from US\$ 35 billion in fiscal 2012 to US\$100 billion by fiscal 2022 on account of rapid growth in metros, airports and other infrastructure projects. The Mission Plan seeks to steer, coordinate and synergise the efforts of all stakeholders to accelerate and sustain the growth of the domestic electrical equipment industry. The report laid out recommendations for improvement in industry competitiveness, balancing import-export trade, technology upgradation, and conversion of latent demand with timely commissioning of power infrastructure projects. Following are some initiatives recommended by the ministry:

- IEEMA was recommended to motivate domestic manufacturers of electrical equipment to participate in specialised trade fairs abroad and to organise periodic visits of business delegations abroad to emerging markets, to understand the emerging markets and new technologies
- EXIM Bank was recommended to consider to make it mandatory to the maximum extent possible for the country availing Indian lines of credit to source equipment manufactured in India only
- To boost exports of electrical equipment, it was recommended to provide policy support to domestic manufacturers to enhance their competitiveness in the global market and address issues of quality of the products, high transaction costs, non-recognition of test certificates of Central Power Research Institute (CPRI) by some countries, high cost of production, high cost of finance, etc.
- Inline Central Power Research Institute (CPRI) was recommended to identify the countries where their certification is not accepted and take it up with their counterparts in those countries. If required, CPRI may put up the proposal to Department of Heavy Industries for taking up at government-to-government level

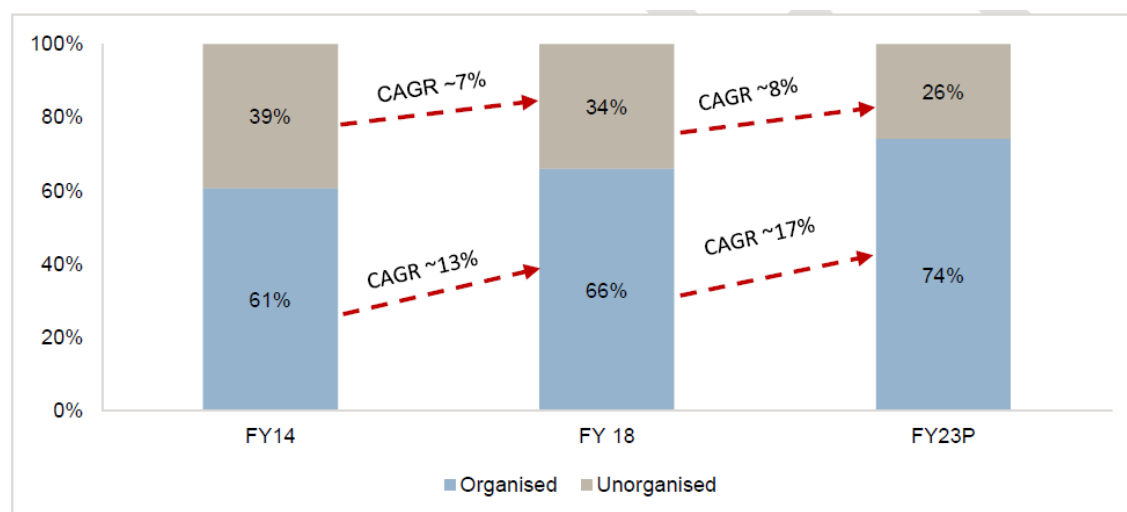


- Under skills development, it was suggested to set up a Sector Skill Council (SSC), which will undertake skill mapping and interact with the industry to provide training to the workers and also train the trainers / teachers, propose changes in curriculum, etc.
- The ministry had called out to the EE industry to improve process technology by investing in R&D and collaborating with foreign entities in order to compete with the global standards and balance the import-export trade

### ***Share of organised sector to increase***

According to industry estimates, the Indian cables and wires industry is gradually moving from a largely unorganised sector comprising smaller regional players towards an organised sector comprising pan-India branded market players across the categories. Furthermore, an increase in technological and product complexities, an increase in marketing and branding activities by leading cable manufacturers and the entry of newer players have all led to an increase in the proportion of the industry’s revenue generated by the organised sector. The shift from unorganised to organised is more significant in specific categories such as LV power cables and building wires. In categories like High Voltage (“**HV**”) and Extra High Voltage (“**EHV**”) power cables, where the manufacturing process is technology and capital intensive with strict regulation relating to the quality of products and an established relationship between B2B customers and incumbents, there are few unorganised players. At an overall level, the organised players accounted for an approximately 66% share of the cables and wires industry’s production in fiscal 2018. Going forward, CRISIL Research expects the share of organised players to increase to approximately 74% by fiscal 2023 on account of GST implementation, and improvement in efficiency and cost structure, thereby reducing the price gap between the organised and unorganised sectors and the economies of the pan-India distribution network.

### ***Trend in share of organised vs. unorganised players***



*P: Projected*

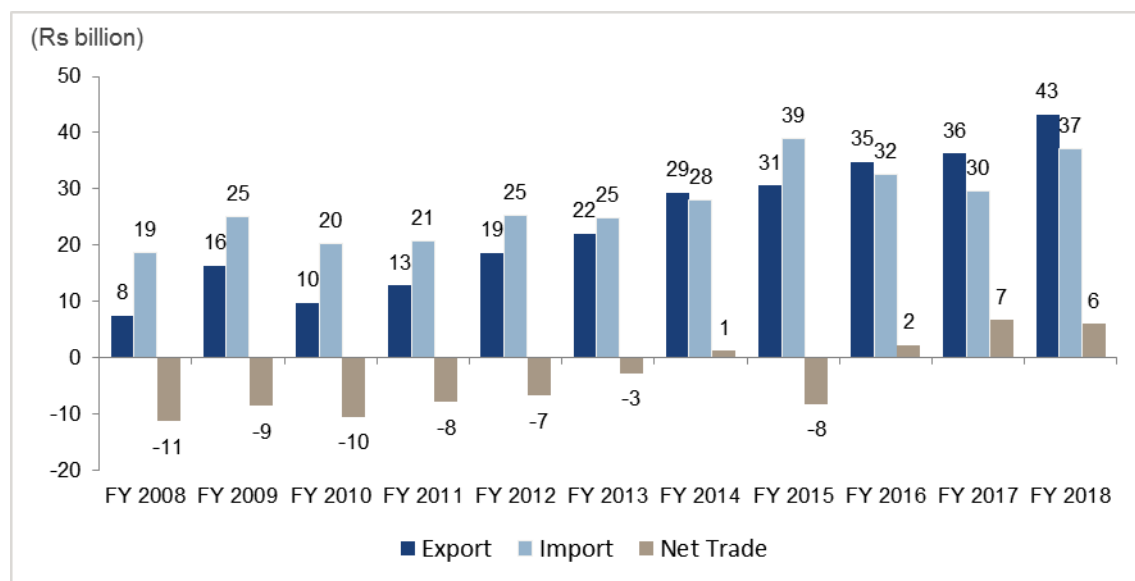
*Source: CRISIL Research*

### ***Exports have seen an increase in the last decade***

India has become a net exporter of cables and wires (excluding OFC) in the last three fiscals, propelled by a double-digit annual growth in exports. Imports of cables and wires increased annually by 7.1% from fiscals 2008 to 2018, while exports increased by 19.1%.

The last five years have seen a growing demand for power cables led by the government’s thrust on rural electrification, preference for EHV power cables across infrastructure, and the revival of stalled projects. However, the demand was not met via domestic production, leading to a rise in the import of power cables in fiscal 2015. During the period, Indian players initiated an upgrade in technology and capacity for HV and EHV power cables via collaborations with global players. This led to improved quality, standards and process technology upgradation, which decreased the reliance on imports, especially in the HV power cables segment. Also, the improved product quality and increased manufacturing capacity led to rise in exports of cables & wires. Fiscal 2018 saw an increase in realisation due to a rise in price of commodities (copper and aluminium) and a gradual improvement in demand outlook at the global level.

*Export – Import in value terms (Rs billion)*



*Note: For details on Harmonized System (HS) Codes used, please refer to the annexure*

*Source: Directorate General of Foreign trade, Ministry of Commerce and Industry, CRISIL Research*

*Trade Outlook*

With improvement in process technology as well as capacities, Indian players in the cables and wires industry have diversified their product offerings and consequently widened their export base. This is reflected in the 15% CAGR growth in exports witnessed from fiscals 2012 to 2018. Moreover, India’s key export destinations for cables and wires have witnessed a shift during the corresponding period. Thus, while exports to countries like the USA, UK, UAE, Japan, Hungary and Germany have grown at 13.7% CAGR from fiscals 2012 to 2018, their share in percentage terms have remained stable at 40-48%, except in fiscal 2018 where the share reduced due to a decrease in export to Japan. Some of the key end-user segments for exports of Indian cables and wires include power transmission, oil and gas, cement and steel and infrastructure sectors.

*Trend in exports of cables and wires from India*

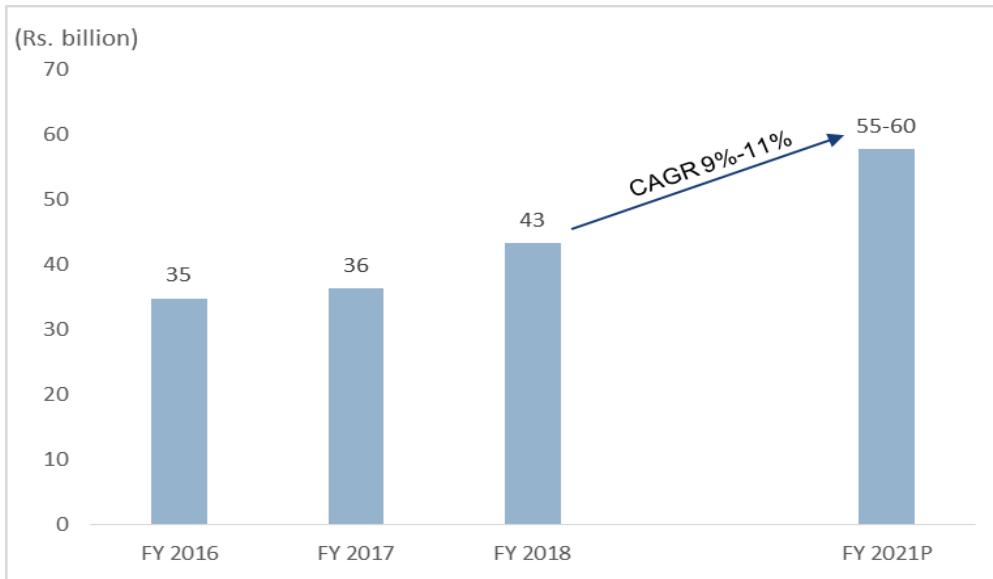
Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12- FY18
Total exports (in Rs billion)	19	22.1	29	31	35	36	43	15%
Export to: (in Rs billion)								
UK	2.0	2.3	4.3	4.8	5.4	5.3	5.4	18.2%
UAE	2.2	2.5	3.1	3.1	3.6	3.6	4.7	13.7%
USA	0.5	0.6	0.9	1.3	1.3	1.8	2.4	28.9%
Japan	1.3	2.4	2.0	1.6	1.6	1.2	0.6	-12.0%
Hungary	0.4	0.6	1.0	1.1	1.4	1.5	1.5	21.8%
Germany	0.8	0.7	1.2	1.4	1.0	1.1	1.0	4.2%
Total export to key countries	7.2	9.1	12.4	13.3	14.4	14.5	15.6	13.7%
Share of key countries in India’s cables and wires exports	48%	41%	43%	43%	41%	40%	36%	

*Note: The values have been rounded off to the nearest decimal.*

*Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, CRISIL Research*

Going forward, CRISIL Research expects sustained growth in exports of cables and wires as Indian players continue to improve quality and increase capacity to cater to domestic and global demand. Moreover, improvement in global sentiment and the consequent demand for infrastructure development and improvement is expected to have a positive impact on demand for cables and wires as well. Industry estimates indicate that demand from countries in the Oceania, Middle East, Africa and Eurozone region are expected to gain momentum in the medium to long term from an Indian export perspective. Consequently, CRISIL Research estimates the cables and wires exports to grow by 9%-11% CAGR and touch Rs 55-60 billion by fiscal 2021.

*Cables and wires export projection till FY2021 (in Rs billion)*



*Note: P: projected*

*Source: Directorate General of Foreign trade, Ministry of Commerce and Industry, CRISIL Research*

**Key risks/ challenges**

Fluctuations in raw material prices pose a key challenge to cable and wires industry. Realisation and profitability in cables and wires industry is dependent on copper and aluminium commodity prices. Typically, a change in the price of raw materials, mainly copper and aluminium and steel to a certain extent, is passed on to the consumers. This affects the volume of sales, as an increase in prices may reduce the volumes of sales. Depending on overall end-industry and economic outlook, the revenues (prices \* volume) may increase or decrease.

Fluctuations in the rupee-dollar rate also poses a key challenge to the cable and wires industry. Raw materials like copper, aluminium, steel and insulation materials may be imported by players due to economies of cost and the quality of raw materials required. Imported raw materials are exposed to exchange rate fluctuation which can adversely affect the cost, thereby impacting margins.

To further mitigate the risk of price fluctuation, companies adopt strategies such as opting for long term contracts with suppliers for procurement, maintaining inventory of raw material, including a price escalation clause for large orders, selling at prevailing market prices that reflect changes in commodity prices and hedging the risk using forwards and options. Additionally, in order to maintain their profitability level companies are focussed on improving efficiency to reduce manufacturing costs and to optimize the cost structure.

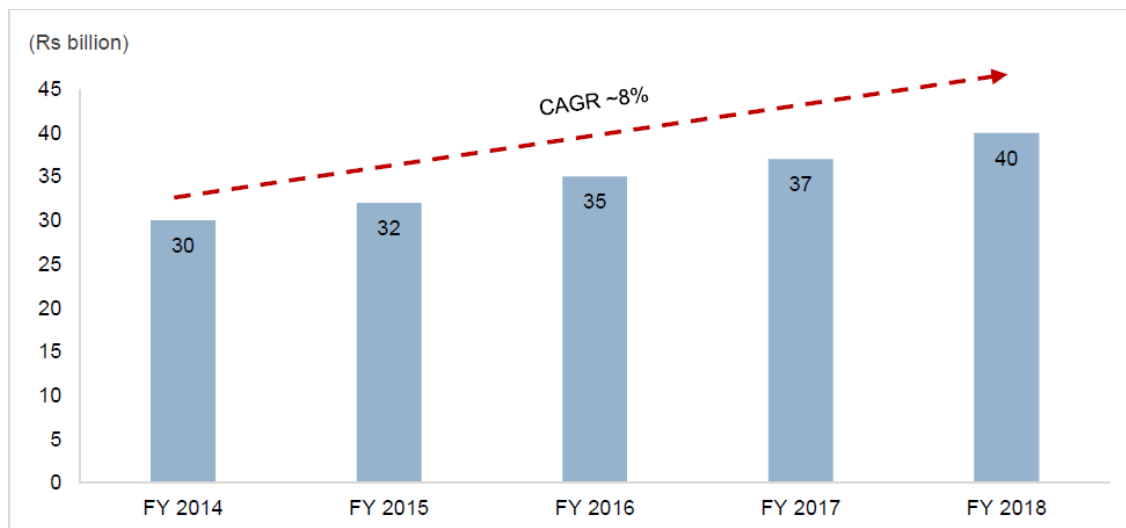
**Review and outlook of Indian switches industry**

**Industry demand driven by modular switches**

CRISIL Research estimates the switches industry to be at Rs 40 billion as of fiscal 2018, having experienced a CAGR of approximately 8% over the past five years. Despite the impact of the real estate sector slowdown, the industry has grown in value with an increasing demand for modular switches with higher price points.

Average realisations of modular switches are four to five times higher than traditional switches, meaning that modular switches have a higher share by value, while traditional switches have a high-volume share, though this is declining.

*Size of the domestic switches industry (Rs billion)*

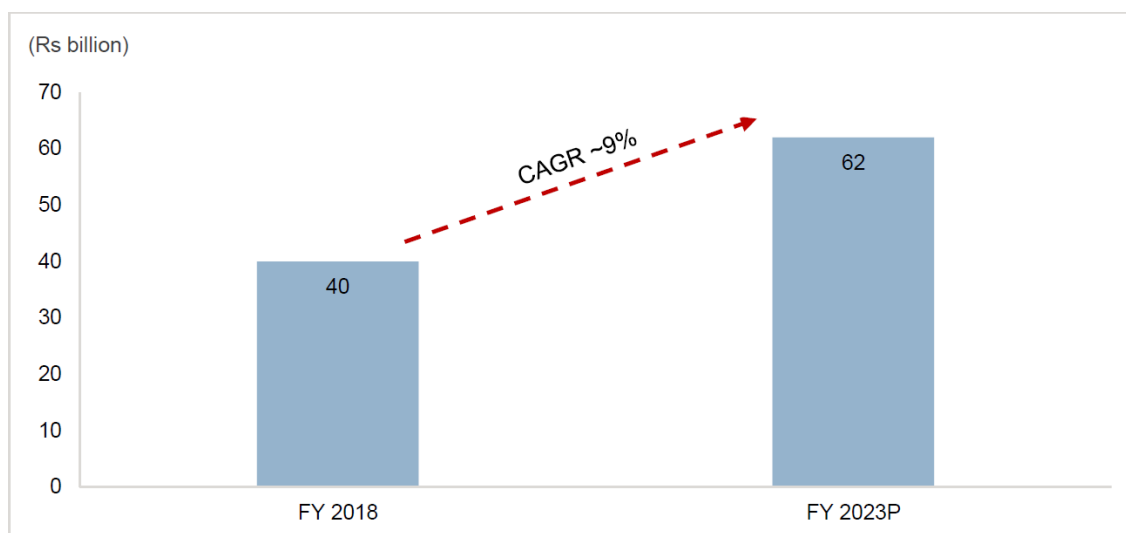


Source: Industry estimates, CRISIL Research

**Indian switches industry to grow to Rs 62 billion by fiscal 2023**

CRISIL Research expects the switches industry to grow to Rs 62 billion by fiscal 2023 at a CAGR of approximately 9%, driven by modular switches with higher realisations.

*Size of the domestic switches industry (Rs billion)*



Note: P: Projected

Source: Industry estimates, CRISIL Research

*Electrification push and changing consumer preferences to drive growth*

CRISIL Research expects the switches to experience robust growth, driven by government initiatives to improve power availability, a government push for affordable housing, rising disposable incomes and an overall positive macro-economic environment in the medium to long term. CRISIL Research expects traditional switches to witness slower growth due to changing consumer preferences.

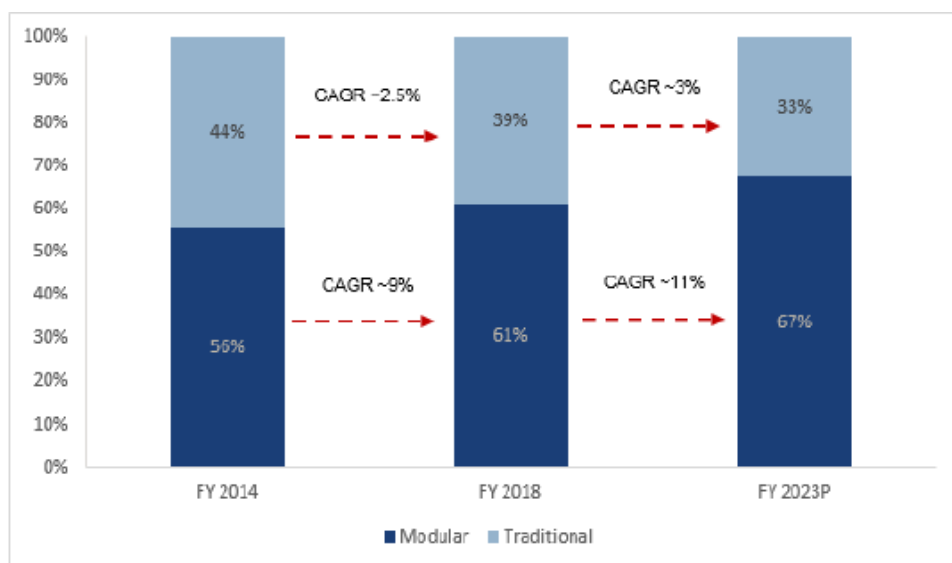
*Consumers are switching to modular*

The easy availability of modular switches at affordable prices in the Indian market has increased their adoption – with volumes outgrowing those of traditional switches over the last five years. Given that average realisations for modular switches are four to five times higher than those of traditional switches, modular switches have a higher share of the overall switches market by value (60-62%) in fiscal 2018.

Modular switches are witnessing higher demand, especially in urban areas. With higher disposable incomes and the growing preference for aesthetically-designed modular switches, CRISIL Research expects the segment to account for 66-68% of the industry in value terms by fiscal 2023. The government push for affordable housing and demand from rural areas and smaller

towns is expected to support the traditional switches segment, which CRISIL Research expects to account for 32-34% of the industry in value terms by fiscal 2023.

*Segment-wise share of switches industry (%)*



*P: Projected*

*Source: Industry estimates, CRISIL Research*

*Consumer have greater awareness of safe and secure switches*

Increasing safety and security concerns among end users will continue to increase the adoption of modular switches among customers. The implementation of safety standards and regulations to minimise mishaps resulting from a lack of maintenance of electronic products will also aid the growth of safe and durable modular switches.

*Improving electrification to boost rural demand*

The government is expanding electrification through initiatives such as Saubhagya and DDUGJY, which CRISIL Research expects to boost demand for household electrical products, in turn increasing the demand for power. Higher power usage in residential and industrial applications is expected to drive growth in the switches industry in the medium to long term.

Furthermore, CRISIL Research expects higher disposable incomes to make modular switches more affordable, thus driving volume growth.

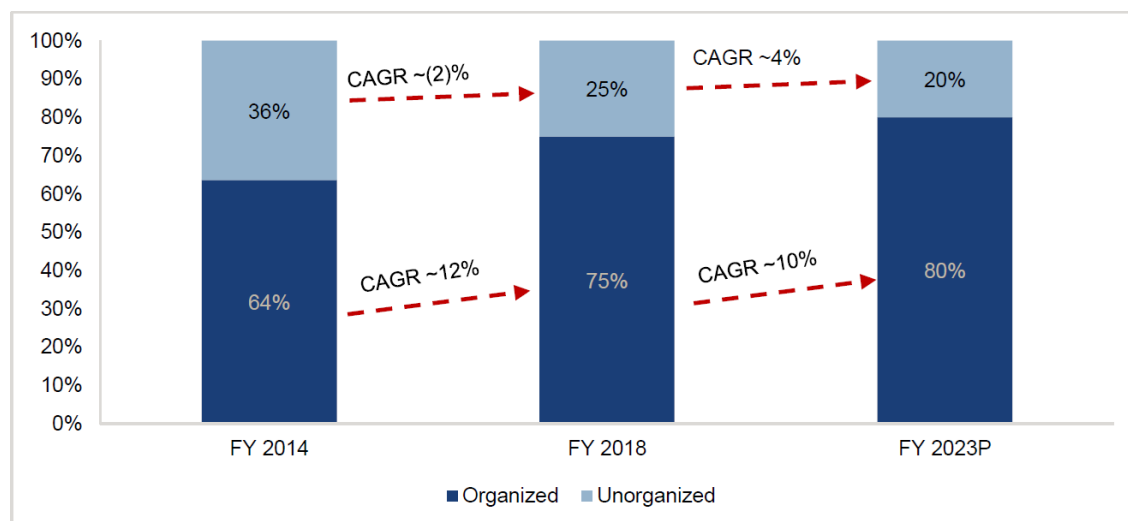
***Organised sector grows on the back of GST and entry of new players***

Per industry estimates, traditional non-modular switches are largely manufactured by the unorganised segment and sold in semi-urban and rural markets, where price is an important consideration. By contrast, modular switches are primarily produced by organised branded players with a large part of their sales coming from urban markets where price and quality are of equal consideration. Moreover, the segment has also witnessed the entry of large players into the consumer appliances segment in a bid to diversify their product offerings. Consequently, the share of organised players rose to 75% in fiscal 2018. Anchor Electricals, Cosmo Electro Industries, GM Modular, Havells India, Philips India, and Schneider Electric India are some of the players in the organised sector.

Industry sources indicate that most large players have been outsourcing their manufacturing to smaller organised players rather than expanding capacity, a trend that the Industry sources expect to continue even in the medium term.

CRISIL Research expects the organised segment is expected to gain further and reach a 80% share by fiscal 2023 due to the implementation of GST. GST is expected to reduce the price gap between organised and unorganised players and impact the availability of products on a pan-India level. Furthermore, smaller players from the unorganised sector are turning into contract manufacturers for large players, thus becoming a part of the organised sector. Moreover, as Indian consumers become more conscious of aesthetics and safety, the preference for branded over unbranded players is expected to increase in the medium to long term.

### Share of organised vs. unorganised players (%)



P: Projected

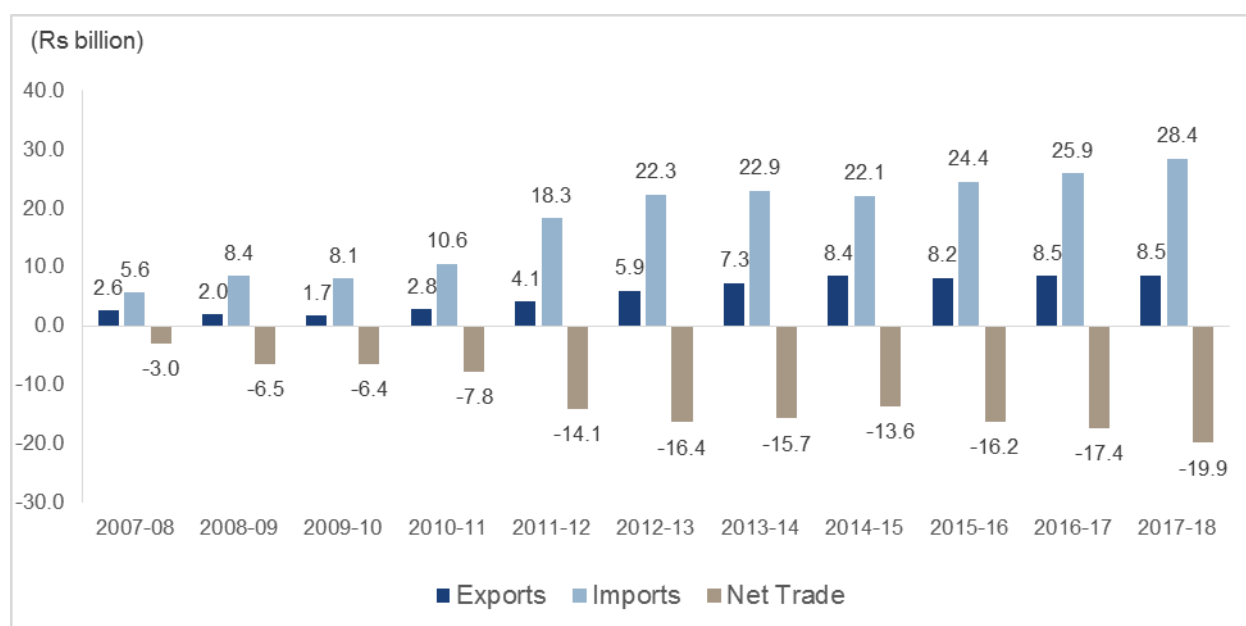
Note: Values in parenthesis indicate decline

Source: Industry estimates, CRISIL Research

### India remains a net importer even as imports grow slower than exports

India has been a net importer of switches for the last 10 fiscals, driven by a huge surge in imports between fiscals 2012 and 2018. Imports have increased annually by 12.5% from fiscal 2008 to 2018, while exports grown 13.5% during the same period.

### Export – Import in value terms (Rs billion)



Note – For details on HS Codes used refer Annexure

Source: Ministry of Commerce and Industry, CRISIL Research

### Trade Outlook

India’s key export destinations for switches demonstrated minor variation between fiscals 2012 and 2018. While exports to key countries such as USA, Germany, UK, China, UAE and France have grown at 11.6% CAGR from fiscals 2012 to 2018, their share in total exports have marginally declined from 49.3% to 46.3% during the same period.

### Trend in exports of switches from India

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Total exports (in Rs billion)	4.1	5.9	7.3	8.4	8.2	8.5	8.5	12.8%
USA (in Rs billion)	0.8	1.0	1.0	0.9	1.1	1.1	1.1	6.6%

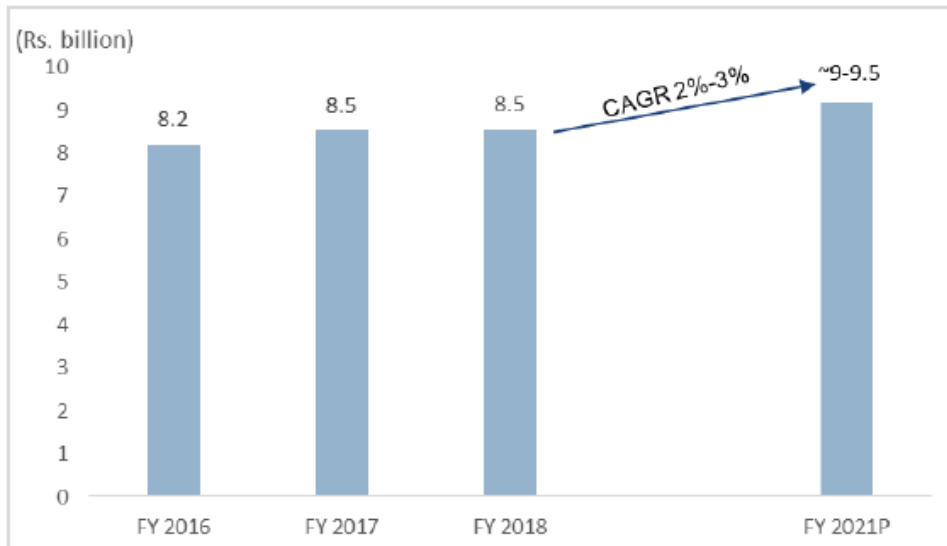
Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Germany (in Rs billion)	0.6	0.9	0.9	0.9	0.9	0.7	1.0	9.4%
UK (in Rs billion)	0.4	0.5	0.7	0.7	0.7	0.7	0.6	6.4%
China (in Rs billion)	0.1	0.3	0.5	0.7	0.8	0.6	0.6	28.5%
UAE (in Rs billion)	0.1	0.2	0.3	0.5	0.4	0.4	0.5	28.2%
France (in Rs billion)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.4%
Exports to key countries (USA, Germany, UK, China, UAE, France) (in Rs billion)	2.0	3.0	3.6	4.0	4.1	3.7	4.0	11.6%
Share of key countries in India's switches exports (%)	49.3%	50.7%	49.3%	47.0%	50.4%	43.3%	46.3%	

Note: The values have been rounded off to the nearest decimal.

Source: Directorate General of Foreign Trade, Department of Commerce & Industry, CRISIL Research

Going forward, CRISIL Research expects growth in exports of switches to continue at a moderate pace as players continue to improve quality and increase capacity to cater for domestic and global demand. Moreover, improvement in global sentiment is expected to have a positive impact on demand for the switches industry as well. Consequently, CRISIL Research estimates switches exports to grow at 2%-3% CAGR to reach approximately Rs 9-9.5 billion by fiscal 2021.

Switches export projection till FY2021 (in Rs billion)



Note: P: projected

Source: Directorate General of Foreign trade, Ministry of Commerce and Industry, CRISIL Research

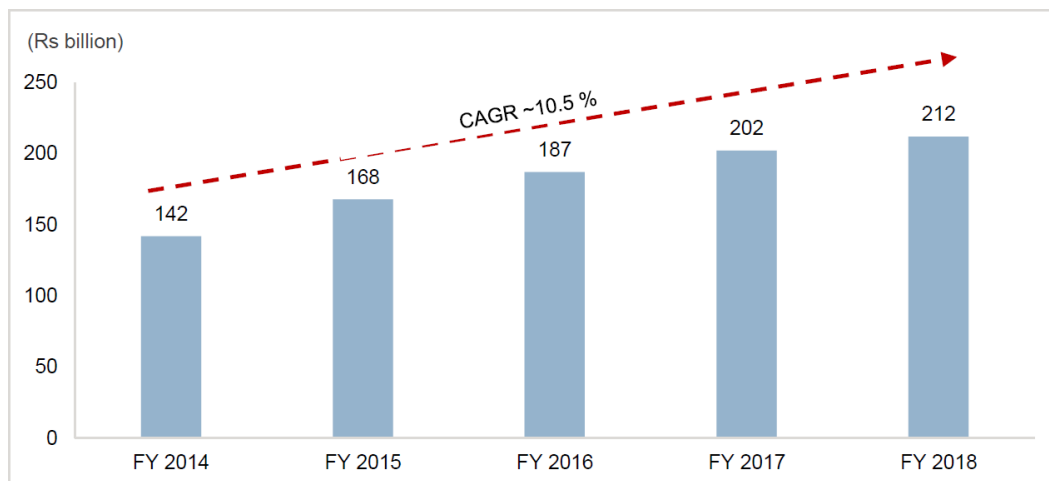
## Review and outlook of Indian lightings industry

### Institutional sales led to LED boom

CRISIL Research estimates the lighting industry, comprising conventional lighting, LED lighting and accessories, to be at Rs 212 billion as of fiscal 2018. The industry is estimated to have experienced approximately 10.5% CAGR over the past five years, led by the rapid adoption of the LED segment, driven by government initiatives and the consequent decline in sales of conventional lighting sources such as GLS, FTL, and CFLs.

Within the LED segment the institutional category, comprising large organisations and government agencies like Energy Efficiency Services Ltd (“EESL”), have dominated sales thus far, given the significantly higher prices of LEDs, especially in the initial years of its introduction. Typical products under the institutional category include street lights, flood lights etc. However, a rapid decline in LED prices over the past few years, coupled with growing awareness about its energy efficiency and environmentally friendly nature, have resulted in its share of retail sales increasing as well.

### Size of domestic lighting industry (Rs billion)

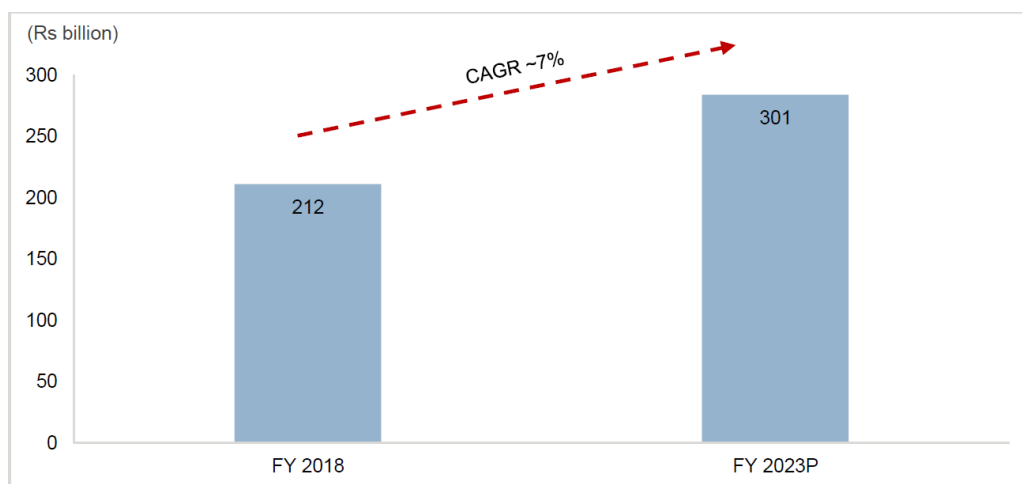


Source: Electric Lamp and Component Manufacturers Association of India (ELCOMA), CRISIL Research

### Indian lighting and luminaire industry to reach an estimated market size of Rs 301 billion by fiscal 2023

CRISIL Research estimates that the Indian lighting and luminaire industry will experience approximately 7% CAGR, to reach an estimated market size of Rs 301 billion by fiscal 2023.

### Lightings industry size (Rs billion)



E: Estimated, P: Projected

Source: ELCOMA, Industry Estimates, CRISIL Research

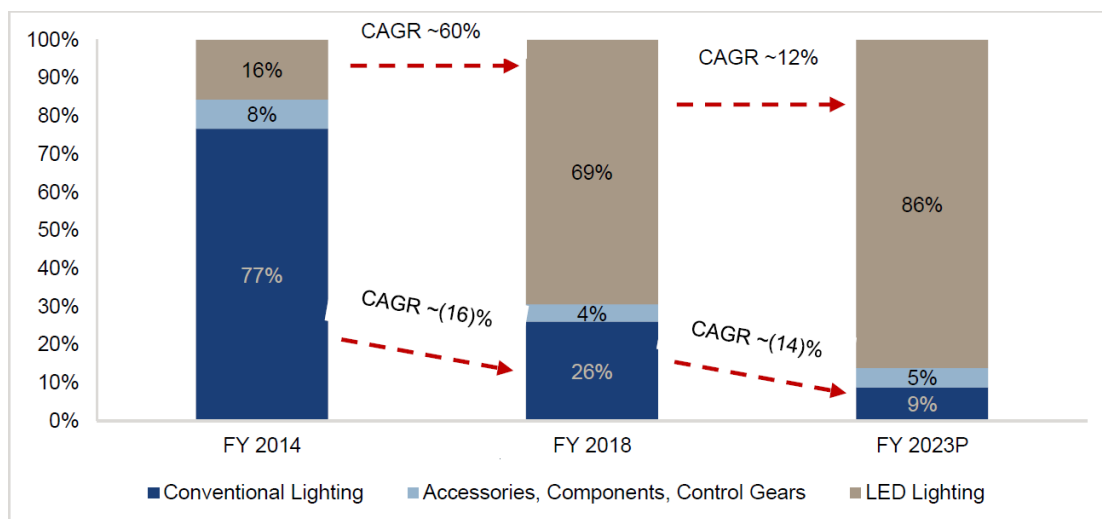
### Housing sector revival to drive retail demand

CRISIL Research expects the investments in public infrastructure, a government push for affordable housing, government initiatives to improve power availability, growth of the automobiles segment and an overall positive macro-economic environment to drive growth in the Indian lighting and luminaire industry in the medium to long term. Within the lighting segment, the LED segment has already managed to gain significant share over the past five years, driven largely by institutional sales. Going forward, the LED segment is expected to see further growth, albeit at a more moderate pace, despite government initiatives such as Unnat Jyoti by Affordable LEDs for All (“UJALA”) and Street Lighting National Programme (“SLNP”) being scheduled to conclude by fiscal 2019.

CRISIL Research expects the demand for the LED segment to stem from the retail segment through the institutional segment in the medium to long term. Softer aspects such as environmentally friendly features, energy efficiency, relatively affordable prices and enhanced aesthetics, as compared with CFLs, are expected to favour the LED lighting segment from the retail perspective. However, such growth is expected to be at a comparatively lower pace, as compared with the growth witnessed in the past five years, as the segment has already reached a fair level of acceptance in the country. Moreover, replacement demand for the LED segment, especially in the short to medium term, is expected to be minimal as LEDs enjoy a longer life expectancy as compared with conventional light sources. With regards to conventional lighting, the segment is expected to decline as its share is expected to be largely taken over by the LED segment.



### Segment-wise share of lighting industry (%)



Note: Values in parentheses indicate decline.

P: Projected

Source: ELCOMA, Industry Estimates, CRISIL Research

#### LED to account for major share going forward

The lighting and luminaire industry, which was dominated by conventional lighting sources in fiscal 2013, has seen a shift towards the LED lighting segment, which dominated with a 69-70% share of the industry, as of fiscal 2018, backed largely by institutional sales. According to industry estimates, conventional light sources are expected to continue their fast decline with the growing preference for energy-efficient LED sources. The demand for conventional light sources is also expected to drop further as prices for LED luminaires become affordable. Demand for conventional lighting will be limited to rural areas and low-income groups, where availability and affordability of LEDs will remain a concern. CRISIL Research expects the LED segment to grow further and constitute approximately 86% of the industry share by fiscal 2023, driven mainly by increase in retail consumption.

#### Decline in LED chip prices

LED chip prices have fallen by more than 60% in the past two years, thus reducing the cost of in-house manufacturing. This has incentivised lighting product manufacturers to upgrade to LED lighting. With the benefits of improving economies of scale having reached their peak and LED chip prices having bottomed out, LED prices are unlikely to decline further.

#### Government efforts to replace GLS, FTL and CFL with energy efficient LEDs

The government has banned the sale of 100W GLSs, which will be replaced by LEDs. It also plans to ban 40W and 60W bulbs. The government also targets the replacement of 700-800 million GLS and 30-35 million street lights in the long term. These prohibitive policies for energy-guzzling lighting products are making producers and consumers move towards costlier but more energy-efficient LED lighting.

From fiscals 2015 to 2017, EESL distributed about 300 million LED lamps while the industry distributed over 500 million LED lamps.

#### Increasing awareness for energy-efficient technologies

Widespread efforts to promote LED Lighting by Central and State Government have resulted in high awareness in urban area. The shift from conventional lighting to LED lighting has increased in urban areas, where consumers with higher disposable income are adopting LEDs faster. Due to high initial investment in LEDs, the shift towards LEDs is lagging in rural areas, but is expected to pick up with government incentives like UJALA and DDUGJY.

Consumers are becoming aware of the energy savings with LED bulbs as compared with incandescent bulbs and CFLs. Furthermore, LED bulbs have a longer life, which extends the replacement period. These factors result in a much lower cost of ownership over the life of an LED bulb, despite a higher initial cost of purchase.

	LED bulbs	CFLs	Incandescent bulbs
Life expectancy (hours)	25,000	8,000	1,200
Power required (W)	8-10	14-18	60
Hazardous materials	None	Mercury	None

Source: Industry estimates, CRISIL Research

### Organised sector gains on the back of LED shift and GST

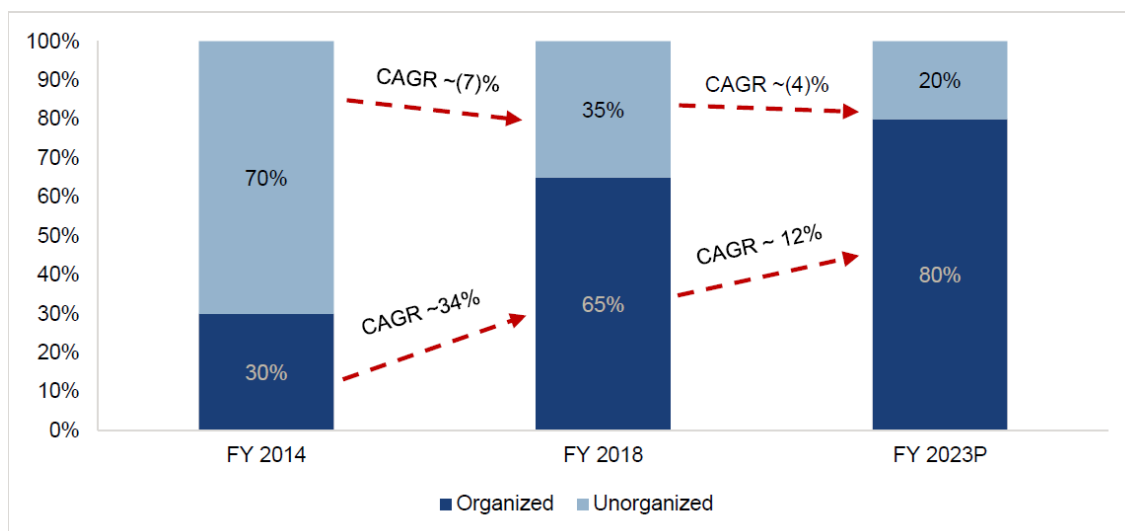
Historically, the Indian lighting and luminaires industry was largely unorganised in nature as conventional lighting sources did not pose much of a technological barrier for entry of new players. Additionally, lack of stringent quality standards led to the presence of a large number of players and importers operating in the industry and contributing to its fragmented nature. Smaller players were able to operate and compete at a regional level as large, branded players were unable to achieve pan-India distribution of their products in a cost-effective manner.

However, the introduction of LEDs, which required investments in technology and were priced at a far greater premium, as compared with conventional lighting sources, resulted in smaller unorganised players losing market share. Fast-paced demand from the institutional segment, including government initiatives, resulted in organised players gaining market share, which stood at approximately 65%, as of fiscal 2018. Bajaj Electricals, Crompton Greaves Consumer Electricals, Havells India, Orient Electric, Philips Lighting, Syska, and Wipro Consumer Care & Lighting are some of the players in the organised sector. Further, the introduction of the Bureau of Indian Standards (BIS) quality norms and the Bureau of Energy Efficiency (“BEE”) mark requirements assigned to the LED segment have resulted in limited competition from the unorganised segment.

The organised segment is expected to gain further share due to the implementation of GST, and reach approximately 80% by fiscal 2023. GST is expected to bring down the price gap between organised and unorganised players and impact the availability of products at a pan-India level. Moreover, as Indian consumers become more brand and safety conscious, the preference for branded players over unbranded ones is expected to increase in the medium to long term.

Industry interactions indicate that in-house manufacturing as well as outsourced manufacturing of lighting products is prevalent among large players in the industry and is expected to continue in the medium term.

Share of organised vs. unorganised players (%)



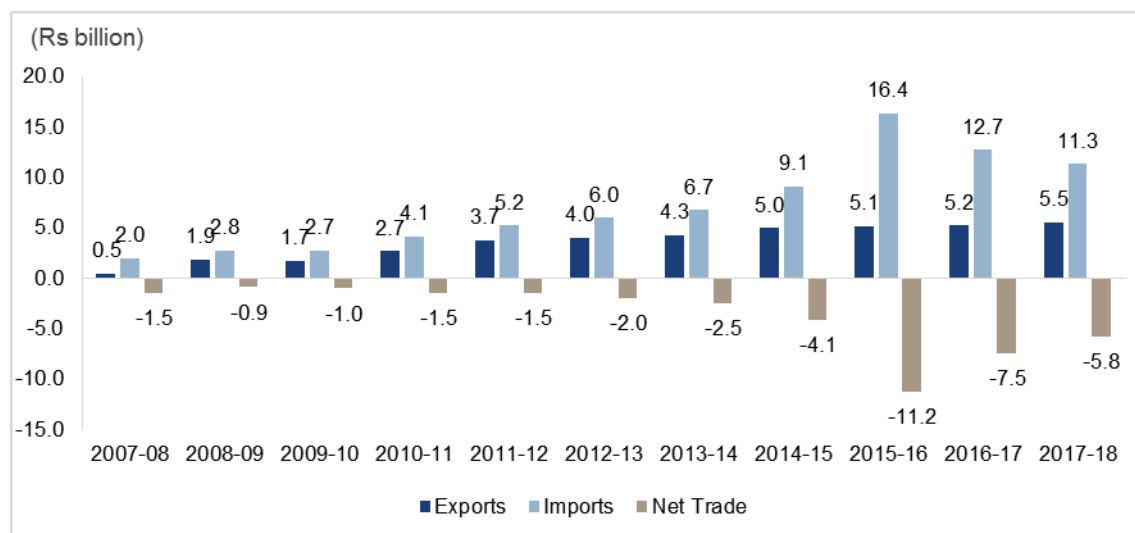
P: Projected

Source: ELCOMA, Industry Estimates, CRISIL Research

### Imports grew with advent of LED technology

India has been a net importer of lightings and luminaires for the last 10 fiscals, driven by a huge surge in imports. Indian lighting and luminaire imports have increased annually by 27.9% from fiscals 2008 to 2018, while exports grew by 14.6% during the same period.

### Export – Import in value terms (Rs billion)



Note – For details on HS Codes used refer Annexure

Source: Ministry of Commerce and Industry, CRISIL Research

### Trade Outlook

With falling LED chip prices as well as augmented capacities, Indian players in the lighting industry have shifted production from conventional lighting to LED lighting and consequently widened their export base. The share of key countries, such as Germany, USA, France, UK, Netherlands, China, and Belgium to total exports overall has declined from 75% to 55.4% between fiscals 2012 and 2018. This decline was primarily due to shift in exports from Germany to other regions. Germany alone contributed to 40-45% of total exports in fiscals 2012 and 2013, which was reduced to 20-25% by fiscal 2018. Thus, while exports to key countries grew slowly at 1.1% between fiscal 2012 and 2018, total exports grew at 6.4% CAGR, which was driven by diversification of export destinations during the same period.

### Trend in exports of lighting and luminaire from India

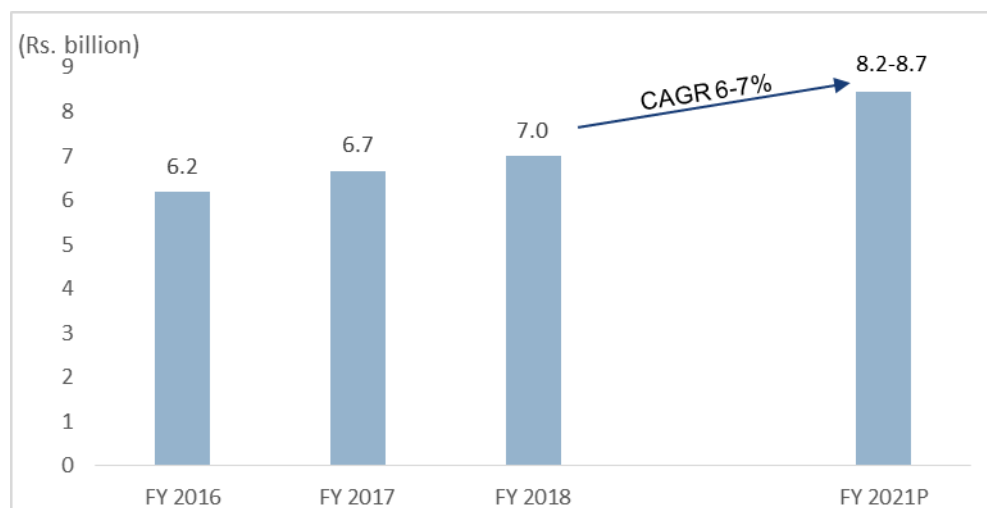
Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Total exports (in Rs billion)	4.8	5.2	5.2	5.8	6.2	6.7	7.0	6.4%
Germany (in Rs billion)	2.0	2.3	1.3	1.6	1.6	1.5	1.6	-3.4%
USA (in Rs billion)	0.7	0.7	0.9	1.0	1.0	0.9	0.8	1.5%
France (in Rs billion)	0.3	0.3	0.4	0.5	0.5	0.6	0.4	2.5%
UK (in Rs billion)	0.2	0.2	0.4	0.4	0.4	0.5	0.4	11.4%
Netherlands (in Rs billion)	0.2	0.2	0.2	0.2	0.2	0.3	0.3	11.2%
China (in Rs billion)	0.1	0.1	0.1	0.1	0.2	0.1	0.2	10.9%
Belgium (in Rs billion)	0.1	0.1	0.1	0.1	0.1	0.2	0.2	9.9%
Exports to key countries (Germany, USA, France, UK, Netherlands, China, Belgium) (in Rs billion)	3.6	4.0	3.5	3.9	4.2	4.1	3.9	1.1%
Share of key countries in India's lighting and luminaire exports (%)	75.0%	75.4%	67.1%	66.5%	67.2%	62.2%	55.4%	

Note: The values have been rounded off to the nearest decimal.

Source: Directorate General of Foreign Trade, Department of Commerce & Industry, CRISIL Research

Going forward, CRISIL Research expects growth in exports of lightings to continue at a moderate pace as players continue to improve quality and increase capacity to cater for domestic and global demand. Moreover, improvement in global sentiment is also expected to have a positive impact on demand for the lightings industry. Consequently, CRISIL Research estimates the lightings exports to grow by 6-7% CAGR to reach Rs 8.2-8.7 billion by fiscal 2021 from Rs 7.0 billion in fiscal 2018.

*Lightings export projection till FY2021 (in Rs billion)*



Note: P: projected

Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, CRISIL Research

**Key risks/ challenges**

*Volume growth in LED segment to be modest in the medium to long term*

Given that the replacement demand for LED segment is expected to be lower as compared to conventional light sources, on account of its longer life expectancy, CRISIL Research expects volume growth for the segment to be modest in the medium to long term.

**Review and outlook of Indian switchgear industry**

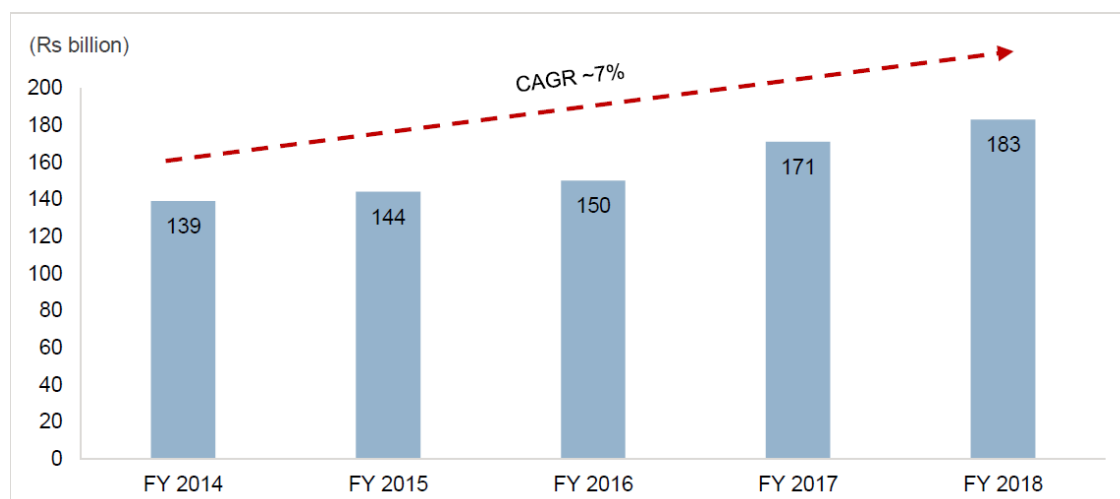
*Switchgear witnessed moderate demand due to a slowdown in real estate and industrial capex*

The LV switchgear industry primarily derives its demand from the residential and industrial sector, with MCBs, DBs, and RCCBs being the most common products. The residential sector experienced a slowdown because of multiple factors such as falling demand, demonetisation and the implementation of the Real Estate Regulatory Authority (RERA) under the Real Estate (Regulation and Development) Act, 2016. A slowdown in the industrial sectors with respect to capacity addition also constricted growth in the domestic LV switchgears segment in the past.

The MV/HV segment is driven by industry and power utilities, with the products being mainly used in power distribution stations and sub-stations having heavy voltage requirements. The segment experienced muted growth for the past five years, as power distribution companies (“discoms”) were faced with issues such as financial stress and closure of unviable power plants.

CRISIL Research estimates the switchgear industry to be at Rs 183 billion in fiscal 2018, having grown approximately 7% between fiscals 2014 and 2018.

*Size of the domestic switchgear industry (Rs billion)*

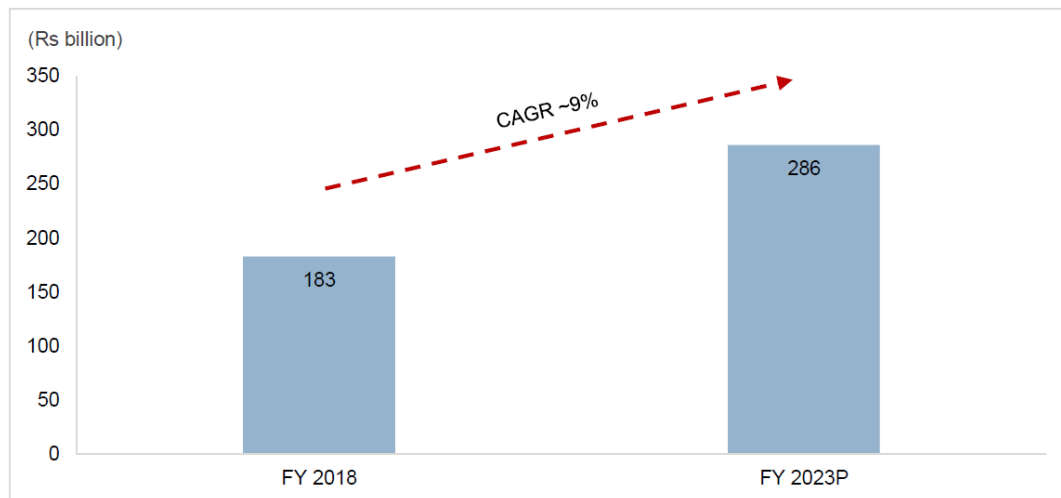


Source: IEEMA, Industry estimates, CRISIL Research

### **Indian switchgear industry to reach Rs 286 billion in fiscal 2023 on account of consumption demand and electrification**

CRISIL Research expects the Indian switchgear industry to grow at a CAGR of approximately 9% and reach Rs 286 billion in fiscal 2023.

*Size of the domestic switchgear industry (Rs billion)*



*Note: P: Projected*

*Source: IEEMA, Industry estimates, CRISIL Research*

### **LV switchgear set to outgrow MV/HV switchgear**

The LV switchgears segment continues to account for a majority share in the overall domestic switchgears industry with demand driven by residential and commercial real estate as well as industrial capex. By contrast, the share of the Medium-Voltage (“MV”)/HV segment has witnessed a marginal decline on account of sluggish growth in the power sector due to financial stress.

CRISIL Research expects the LV switchgear industry to accelerate, backed largely by the government’s push for infrastructure development. CRISIL Research also expects industrial capex to improve, led by an anticipated capacity expansion, whereas the residential sector is expected to pick up with the government’s push for affordable housing. Widening of the transportation network through railways and metro is expected to further aid demand for LV switchgears segment.

### **Modular devices are becoming the preference**

CRISIL Research expects new construction in the real estate sector to employ an increasing proportion of modular devices, thus leading to customization of the switchgear assembly to suit the requirements of the construction.

### **Improving electrification to drive growth**

The government is expanding electrification through initiatives such as Saubhagya and DDUGJY, which CRISIL Research expects to boost demand for household electrical products, in turn increasing the demand for power. Accordingly, CRISIL Research expects higher power usage in residential and industrial applications to drive demand for the switchgear industry in the medium to long term.

### **Consumer are increasingly preferring safe, and smart products**

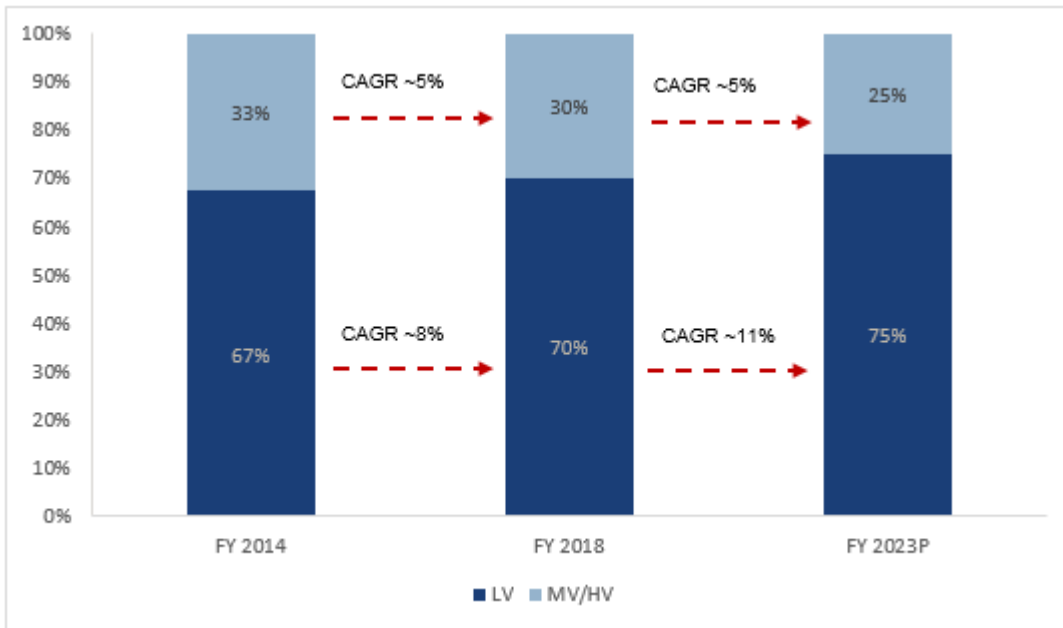
As consumer awareness increases, CRISIL Research expects demand for safer and smarter products to increase, which CRISIL Research expect to drive demand for branded products from the organised players.

### **MV/HV switchgear is expected to pick up**

CRISIL Research expects MV/HV switchgear to pick up as a result of the government initiatives such as DDUGJY and Saubhagya, which CRISIL Research expects to improve power consumption in the medium to long term. Additionally, CRISIL Research expects the revival of stressed discoms through Ujwal Discoms Assurance Yojana (“UDAY”) to aid growth of the switchgears industry in India.

Although the power sector is expected to witness a revival, due to government initiatives, CRISIL Research expects the share of the MV/HV switchgear segment to remain range-bound in the medium to long term. CRISIL Research expects the LV switchgears segment to retain its majority share, because of rapidly growing demand in the real estate sector and industrial capex.

Segment-wise share of switchgear industry (%)



Note: P: projected

Source: IEEMA, Industry estimates, CRISIL Research

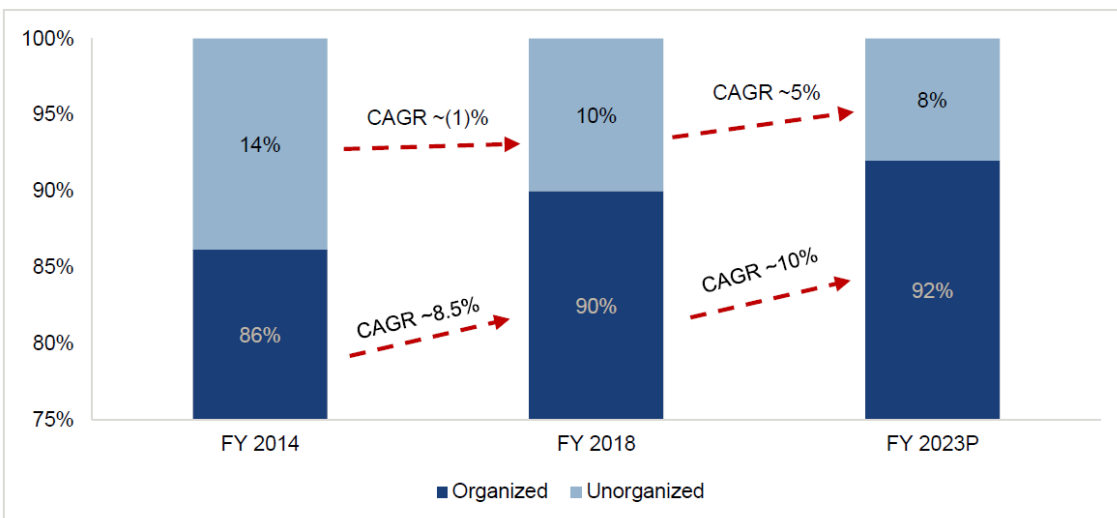
**Significant technology requirements leave little room for unorganised players**

Our industry interactions indicate that the LV and MV/HV switchgear industry is largely organised, with significant technology requirements acting as deterrents to the entry of smaller unorganised players. ABB India, Havells India, Legrand India, Schneider Electric India, and Siemens India are some of the players in the organised sector. The technology intensive nature of the product has resulted in large corporates, both domestic and global, dominating the industry. Most large players have in-house manufacturing capacities. The product profile of the unorganised market participants is typically restricted to low technology intensive products such as switching devices and distribution boards. Also, equipment from 6.6KV to 11KV is increasingly being manufactured by small scale units as the technology/capex required at this level is minimal, and most of these manufacturers merely assemble components sourced from countries like China.

The Central Electricity Authority (“CEA”) has laid out stringent technical standards for construction of electrical plants and electrical lines, taking into account environmental hazards caused by electrical equipment and components. Compliance with these standards requires heavy investments, which has rendered smaller players unviable. As a result, investments in technical compliance by large domestic players and MNCs has led to a large share of the industry being cornered by the organised sector.

CRISIL Research expects the organised segment to gain further due to the implementation of GST and reach approximately 92% by fiscal 2023. GST is expected to bring down the price gap between organised and unorganised players and also impact the availability of products at a pan-India level, leading to industry consolidation.

Share of organised versus unorganised players (%)



Note: P: Projected

Values in parenthesis indicate decline

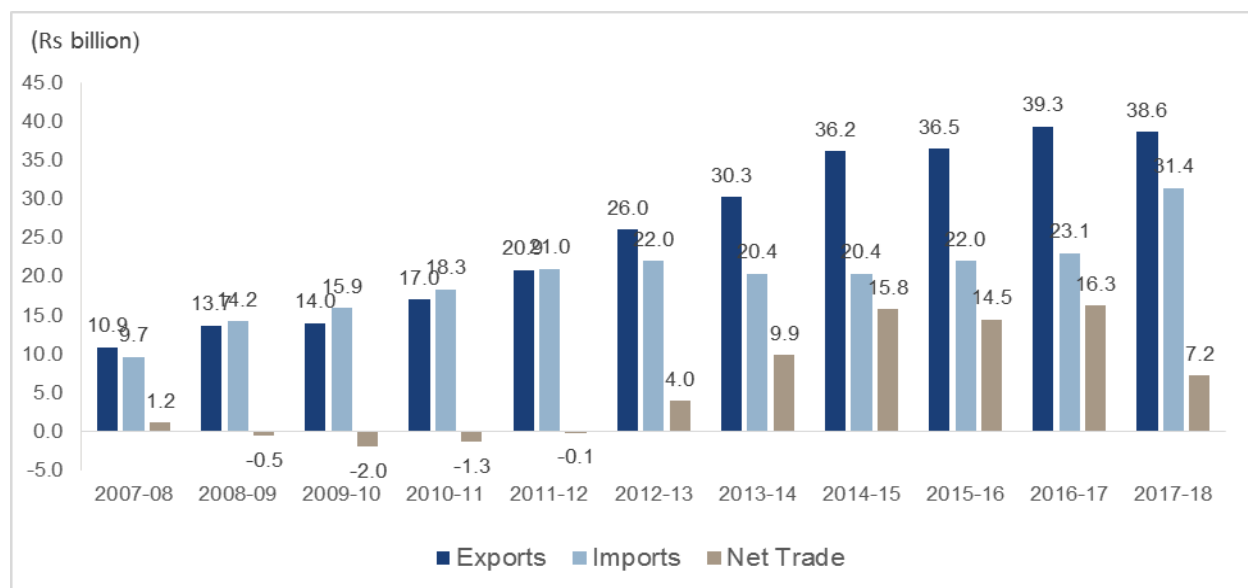
Source: IEEMA, Industry estimates, CRISIL Research

### MCB exports drive growth in net exports

Imports of boards, panels, and consoles for industrial use had surged between fiscals 2008 and 2011, resulting in India being a net importer for the same period. India turned into a net exporter in fiscal 2012 because of a consistent increase in the exports of MCBs, boards, panels, and consoles for industrial use.

Imports grew annually by approximately 12.5% between fiscals 2008 and 2018, whereas exports increased approximately 13.5% during the same period. A spike in the imports of boards, panels, and consoles for industrial use has caused a decline in the net exports in fiscal 2018.

Export – Import in value terms (Rs billion)



Note – For details on HS Codes used refer Annexure

Source: Ministry of Commerce and Industry, CRISIL Research

### Trade Outlook

Key export destinations largely remained the same during the fiscals 2012 to 2018. Exports to countries like the USA, UK, UAE, Germany, Singapore, France and Australia have grown at a 10.9% CAGR between fiscals 2012 and 2018, while their share in total exports has remained stable at 40-45% during the same period. The total exports have grown in tandem with key countries at 10.8% CAGR during the corresponding period.

### Trend in exports of switchgear from India

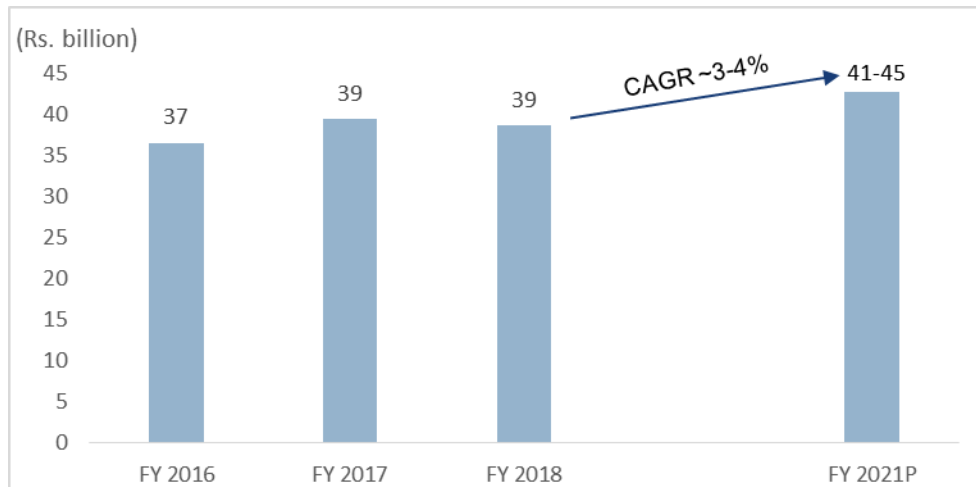
Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Total exports (in Rs billion)	20.9	26	30.3	36.2	36.5	39.3	38.6	10.8%
USA (in Rs billion)	2.1	2.8	2.8	3.0	2.8	2.8	2.9	5.1%
UK (in Rs billion)	2.0	1.9	2.2	2.5	2.2	1.9	2.1	0.7%
UAE (in Rs billion)	1.6	2.3	2.7	3.1	2.9	3.1	2.9	10.4%
Germany (in Rs billion)	1.3	1.1	1.2	1.9	1.8	2.1	2.6	12.7%
Singapore (in Rs billion)	0.9	1.0	1.5	2.5	3.0	3.5	3.5	24.8%
France (in Rs billion)	0.7	0.9	2.2	1.8	2.1	2.0	2.4	22.1%
Australia (in Rs billion)	0.6	1.0	1.1	1.2	1.1	1.0	1.0	7.3%
Exports to key countries (USA, UK, UAE, Germany, Singapore, France, Australia) (in Rs billion)	9.3	11	13.6	16.1	15.8	16.4	17.3	10.9%
Share of key countries in India's switchgear exports (%)	44.5%	42.3%	45.0%	44.6%	43.2%	41.6%	44.9%	

Note: The values have been rounded off to the nearest decimal.

Source: Directorate General of Foreign Trade, Department of Commerce & Industry, CRISIL Research

Going forward, CRISIL Research expects growth in exports of switchgears to continue at a moderate pace as players continue to improve quality and increase capacity to cater for domestic and global demand. Moreover, improvement in global sentiment is expected to have a positive impact on demand for the switchgears industry as well. Consequently, CRISIL Research estimates the switchgears exports to grow by CAGR 3-4% and reach Rs 41-45 billion by fiscal 2021.

Switchgears export projection till FY2021 (in Rs billion)



Note: P: projected

Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, CRISIL Research

### Review and outlook of the Indian fans industry

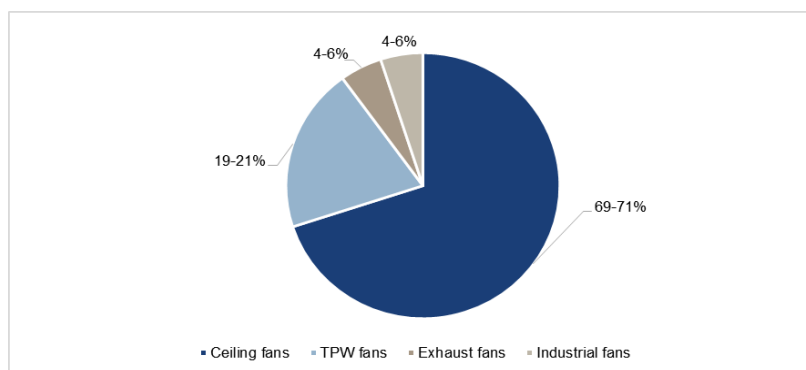
#### Consumers paying a premium for ceiling fans

CRISIL Research estimates the size of the electric fans industry at Rs 80 billion as of fiscal 2018, having grown at a CAGR of approximately 6% over the past five years. In relation to ceiling fans, while overall volumes have been impacted as a result of the slowdown in the real estate sector over the past few years, growth has been driven by an increasing preference for premium category products, including decorative fans, energy-efficient fans and custom-made fans. The TPW fans segment, which typically enjoys a higher demand from rural areas compared with urban areas because of its portable nature (as it eliminates the need for multiple fans) has also seen growth as the availability of electricity has improved as a result of varied government initiatives, thereby leading to increased demand for consumer appliances including fans. Ceiling fans account for 69-71% in the total electric fans industry in India.

Based on the product type, the electric fans industry in India can be broadly classified into:

- Ceiling fans
- Table, Pedestal, and Wall (“TPW”) fans
- Exhaust fans – typically used in kitchens, and bathrooms
- Industrial fans

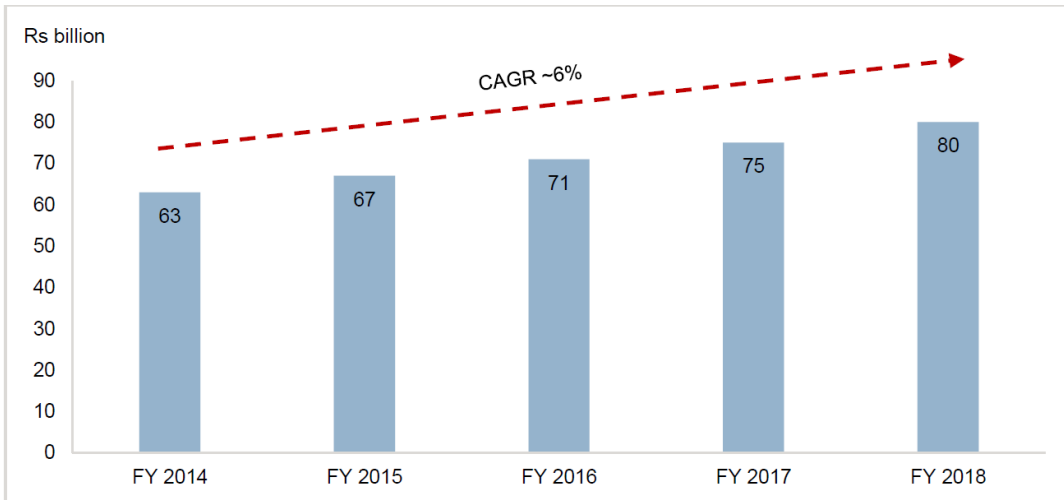
Segment-wise breakup of fans industry as of fiscal 2018 (%)



Source: Indian Fan Manufacturers Association (IFMA), Industry estimates, CRISIL Research



*Size of domestic fans industry (Rs billion)*

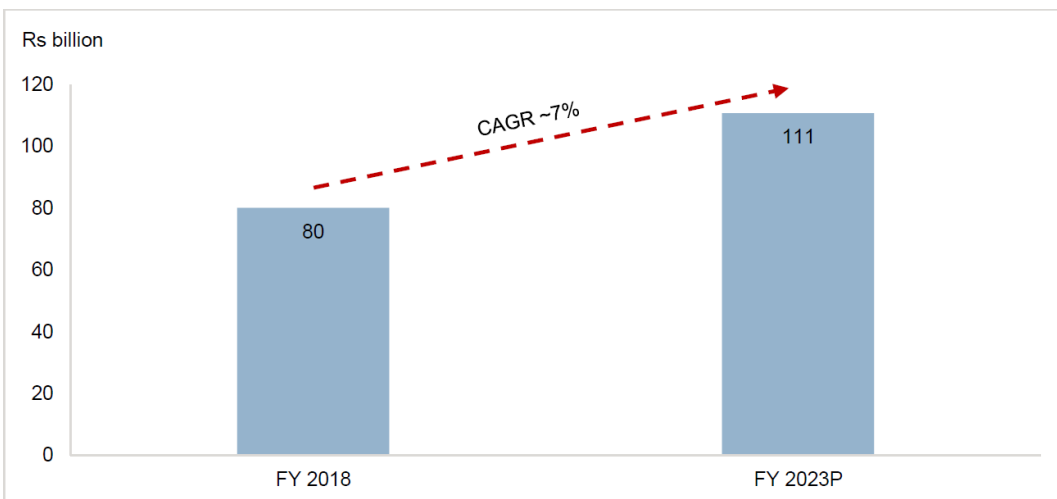


Source: IFMA, Industry estimates, CRISIL Research

**Indian electric fans industry to grow to Rs 111 billion by fiscal 2023**

CRISIL Research estimates the Indian electric fans industry to improve by a CAGR of approximately 7% to Rs 111 billion by fiscal 2023.

*Size of domestic fans industry (Rs billion)*



Note: P: Projected

Source: IFMA, Industry estimates, CRISIL Research

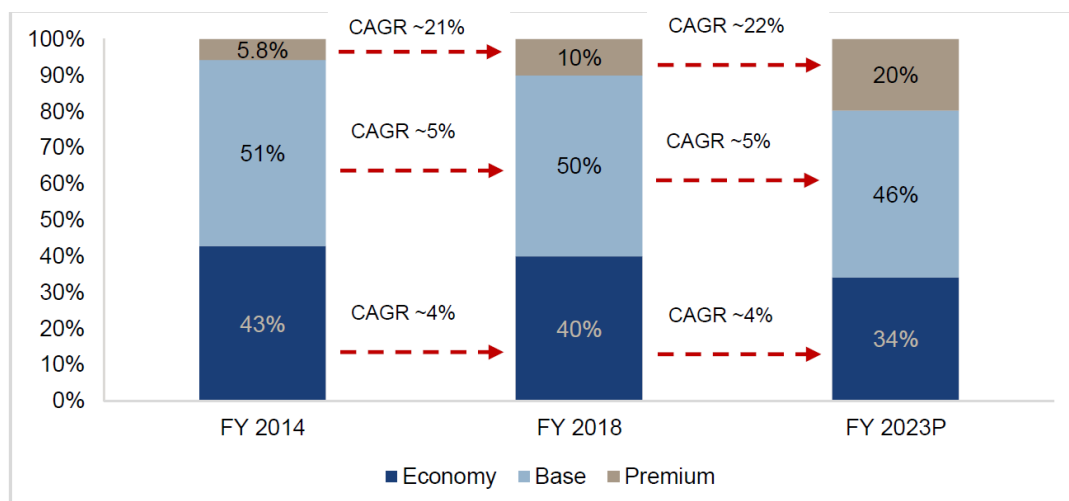
**Premium ceiling fans segment to gain market share and drive growth for fans industry**

As regards the product category, ceiling fans occupy the maximum share of 69-71% as of fiscal 2018. The category has seen growth largely on the back of the real estate sector, particularly the residential segment. Given its substantial base, volume growth in the next 5-6 years is expected to be minimal. However, within the segment, there has been a noticeable shift from the economy category to the premium category as per industry estimates. Factors such as rising disposable incomes, changing consumer preferences and the increased availability of electricity across the country have provided the demand impetus for players to improve on aspects such as design, efficiency and technology, even in the case of standardised product categories such as electric fans.

Ceiling fans are classified based on price range into:

- Economy (priced up to Rs 1,500)
- Standard (priced between Rs 1,500 to Rs 4,000) and
- Premium fans (priced above Rs 4,000)

### Segment-wise share of ceiling fans (%)



P: projected

Source: IFMA, Industry Estimates, CRISIL Research

### Energy efficiency fans to gain share in medium to long run

EESL financed procurement and incentivisation programs for energy efficient products are being extended to fans to expand the energy-conservation agenda. Under the National Energy Efficient Fans Program (“NEEFP”), launched across India, 50-watt fans are provided by EESL at Rs 1,150 per unit on upfront payment, or at total of Rs 1,200 if taken on equated monthly instalments (“EMI”). The EMI is adjusted against electricity bills of consumers. Under NEEFP, about 1.98 million fans have been distributed across India as of August 6, 2018, with energy savings of 770 MWh and cost savings of Rs 2.6 million per day.

The Super-Efficient Equipment Program (“SEEP”) is a programme designed by the BEE to accelerate the shift towards super-efficient appliances by providing financial stimulus innovatively at critical point(s) of intervention. Under this programme, ceiling fans have been identified as the first appliance to be adopted. SEEP for ceiling fans aims about 50% higher efficiency than average of fans currently available in the market, by providing a time bound incentive to fan manufacturers to manufacture super-efficient (SE) fans and sell them at a discounted price. SEEP aims to push adoption of super-efficient 35W ceiling fans as against the current average ceiling fan sold in Indian market with about 70W rating.

CRISIL Research expects the above mentioned government initiatives to drive demand for electric fans, especially the energy efficient ones in the medium to long term.

### Introduction of value added products to increase realisations

Major fan manufacturers are adopting technology to provide value-add to even standardized consumer products like electric fans. This has led to the introduction of silent fans, dust-free fans, fans with remote brushless direct current (BLDC) motors among other variations. The next phase of value-add is taking shape in the form of fans with temperature or proximity sensors and those controlled by Wi-Fi or mobile apps. While such value-added products currently enjoy a limited demand due to premium prices, CRISIL Research expects their demand to pick up in the future in line with increase in disposable incomes and changing consumer preferences, especially among consumers belonging to the younger age-bracket.

### Replacement demand to drive growth, in line with changing trends in home improvement, especially in urban areas

Replacement demand, which involves replacement of electric fans in line with the design-centric changes as part of the home improvement process, is beginning to account for a significant share of the urban demand. Rising disposable incomes and evolving preferences of urban population are shortening the home improvement cycle, which CRISIL Research expects to boost replacement demand, especially in the premium and economy fan segments. The super-premium segment is seeing growing interest from consumers looking for luxury and aesthetics, even though it currently constitutes a negligible share of the electric fans industry.

### Electrification to raise penetration in rural areas

The government is promoting increased electrification in rural areas with schemes such as DDUGJY, Saubhagya, and UDAY. CRISIL Research expects this to act as a catalyst for increasing the rural penetration of the electric fans industry and CRISIL

Research expects demand from rural geographies to be largely in the economy and base segments of ceiling fans as well as the TPW segment, due to their portable nature.

*Improving economic factors and changing consumer preferences will lead to fan growth*

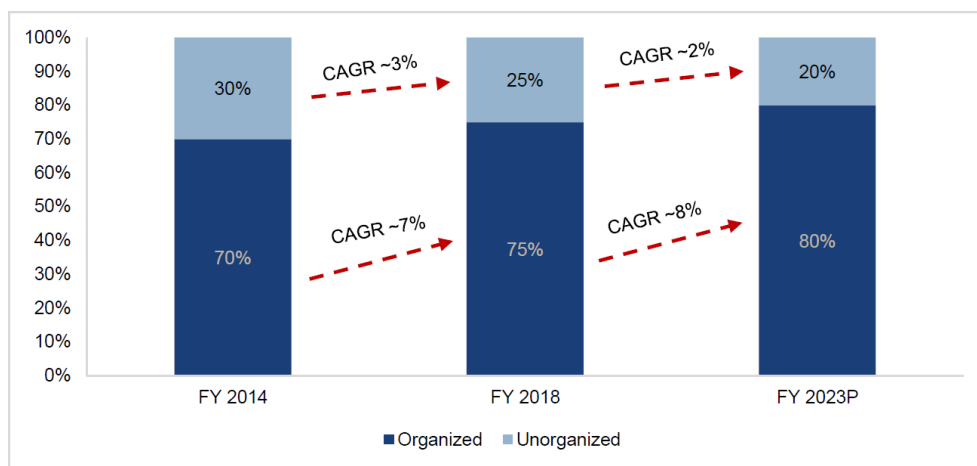
CRISIL Research expects factors such as government initiatives to improve power availability, the government push for affordable housing, rising disposable incomes, changing consumer preferences and an overall positive macro-economic environment to drive growth in the domestic electric fans industry in the medium to long term. Given that the product category is fairly established, CRISIL Research expects growth momentum to be moderate in the medium to long term. While CRISIL Research expects government initiatives such as increasing availability of power, especially in rural areas, and adoption of energy-efficient fans at subsidised prices to drive volume sales in rural areas, changing consumer preferences with regards to aesthetics, technology and energy-efficiency is expected to improve demand for fans, especially in the premium-priced category. CRISIL Research also expects replacement demand, which is typically prevalent in urban areas and is largely a function of increasing disposable incomes and trends in home improvement, to provide moderate impetus to the electric fans industry in the medium to long term.

*Organised segment to gain on account of changing preferences and entry of new players*

As a product category, electric fan production is fairly standardised which has led to a large number of players, both organised and unorganised operating in the industry. As in the case of other consumer appliances, preference for branded, and quality products have led to organised players gaining market share over years. The share of organised players has also increased over years, as players in consumer appliances have started to diversify their product offerings and enter into the electric fans category as well. Consequently, the share of organised players stands at approximately 75% as of fiscal 2018. Bajaj Electricals, Crompton Greaves Consumer Electricals, Havells India, Orient Electric, and V-Guard Industries are some of the players in the organised sector. Since the manufacturing technology is fairly standardised, outsourcing of production to smaller players is prevalent in the industry. According to industry estimates, given the cost-benefits offered by outsourcing production, CRISIL Research expects the trend to continue in the medium to long term.

CRISIL Research expects the organised segment to gain further share, albeit marginally, and reach approximately 80% by fiscal 2023 due to implementation of GST. CRISIL Research also expects GST to bring down the price gap between organised and unorganised players and also impact availability of products at a pan-India level. Moreover, as Indian consumers become more conscious of brand and aesthetics, CRISIL Research expects the preference for branded players over the unbranded ones to increase in the medium to long term. CRISIL Research also expects the unorganised segment to cater largely to those consumers where price and availability of the product remains a constraint.

*Share of organised versus unorganised players (%)*



Note: P: Projected

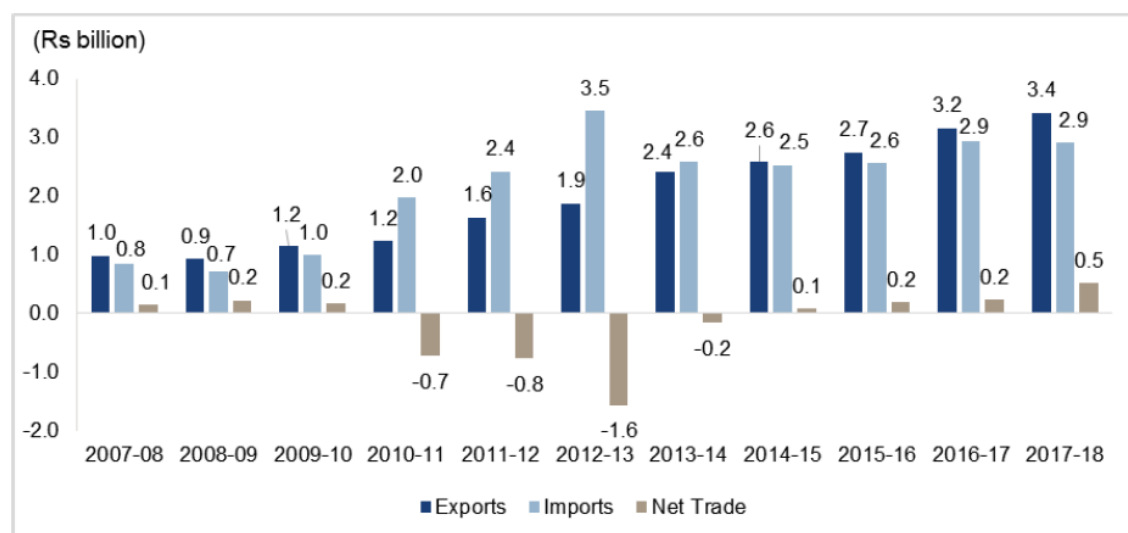
Source: IFMA, Industry Estimates, CRISIL Research

*Exports gaining traction in the ceiling fan segment*

India has broadly been a net exporter of fans, except for fiscals 2011 to 2014 when the imports of pedestal fans surged as exports largely witnessed steady growth. India turned into a net exporter again in fiscal 2015, on the back of growing exports of ceiling fans, and marginal growth in imports of pedestal fans.

Import of fans has increased annually by 13.1% from fiscals 2008 to 2018, while exports have increased by 13.3% during the same period. More recently between fiscals 2015 and 2018, exports have grown at 9.6%, nearly twice as that of imports at 4.9%.

Export – Import in value terms (Rs billion)



Note – For details on HS Codes used refer Annexure

Source: Ministry of Commerce and Industry, CRISIL Research

Trade Outlook

India's total fans export grew at a 12.9% CAGR from fiscals 2012 to 2018 while exports to key countries such as the UAE, Sri Lanka, Ghana, Nepal, Bahrain, Oman, Singapore and Sudan grew at 13.1% CAGR during the same period. The share of key countries against total exports has thus remained stable at 70-80% between fiscals 2012 and 2018. Growth in exports was majorly driven by increase in demand from Nepal, Singapore, Middle East and some of the African countries such as Nigeria, Sudan, Ghana and Tanzania, all of which contributed to over 90% of the total exports.

Trend in exports of fans from India

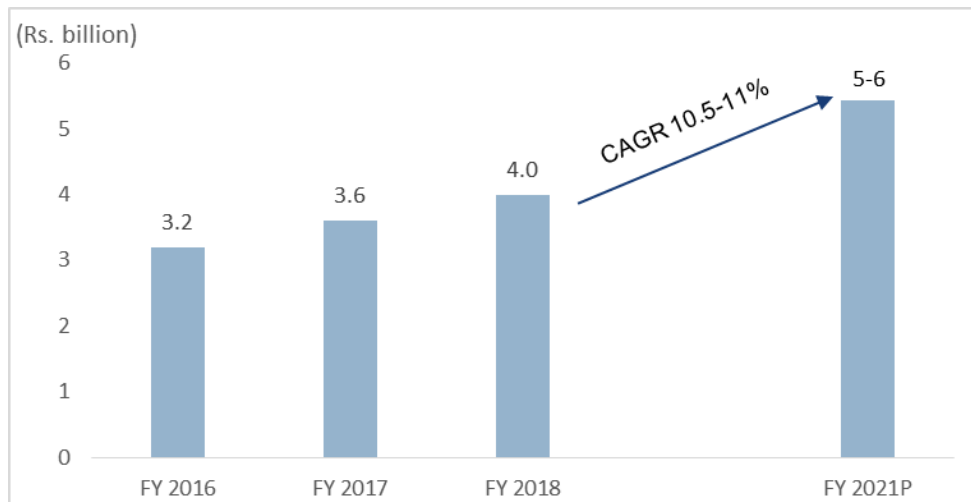
Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Total exports (in Rs billion)	1.9	2.2	2.7	3	3.2	3.6	4	12.9%
UAE (in Rs billion)	0.6	0.6	0.6	0.7	0.9	1.0	1.2	12.6%
Sri Lanka (in Rs billion)	0.3	0.2	0.2	0.2	0.3	0.4	0.3	0.9%
Ghana (in Rs billion)	0.2	0.3	0.4	0.3	0.3	0.5	0.4	9.7%
Nepal (in Rs billion)	0.1	0.1	0.2	0.3	0.3	0.5	0.6	36.5%
Bahrain (in Rs billion)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	4.9%
Oman (in Rs billion)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	2.1%
Singapore (in Rs billion)	0.0	0.1	0.1	0.1	0.1	0.1	0.1	14.7%
Sudan (in Rs billion)	0.0	0.1	0.2	0.3	0.1	0.2	0.2	34.5%
Exports to key countries (UAE, Sri Lanka, Ghana, Nepal, Bahrain, Oman, Singapore, Sudan) (in Rs billion)	1.4	1.6	1.9	2.2	2.4	2.9	3	13.1%
Share of key countries in India's fans exports (%)	75.2%	73.2%	70.5%	72.5%	74.8%	80.4%	76.1%	

Note: The values have been rounded off to the nearest decimal.

Source: Directorate General of Foreign Trade, Department of Commerce & Industry, CRISIL Research

Going forward, CRISIL Research expects growth in exports of fans to continue at a moderate pace as players continue to improve quality and increase capacity to cater for domestic and global demand. Moreover, improvement in global sentiment is expected to have a positive impact on demand for the fans industry as well. Consequently, CRISIL Research estimates the fans exports to grow by CAGR 10.5-11% to reach Rs 5-6 billion by fiscal 2021 from Rs 4.0 billion in fiscal 2018.

Fans export projection till FY2021 (in Rs billion)



Note: P: projected

Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, CRISIL Research

### Key risks/challenges

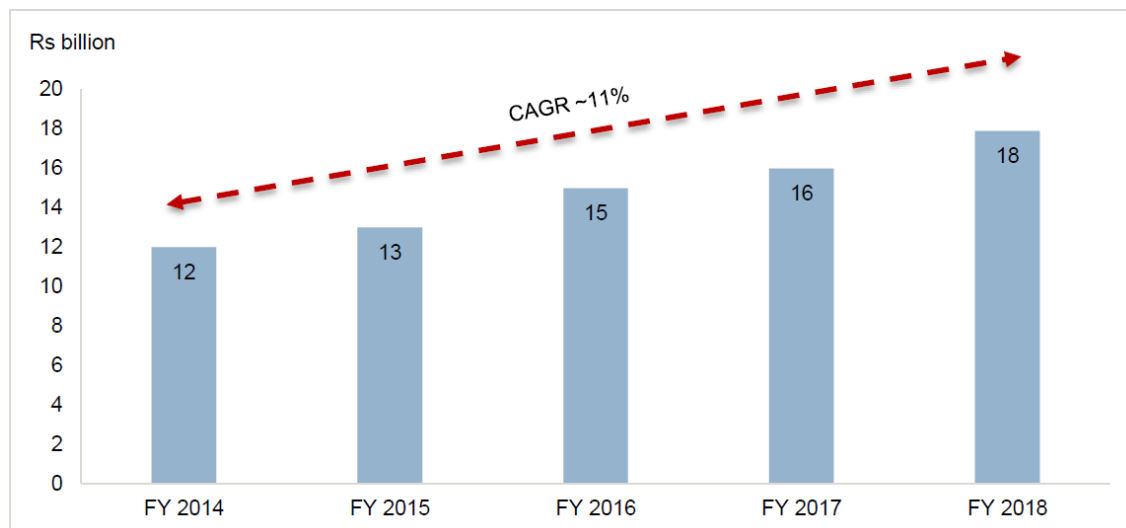
*Growth of substitute products such as air coolers and air conditioners*

Air coolers and air conditioners, the substitutes to fans, have an aspirational value for the consumers. These products are seeing growing demand, especially in housing and office spaces in urban areas. As air coolers and air conditioners become more affordable as compared to fans, consumers are likely to opt for these alternatives as increasing disposable incomes influence their preferences for luxury.

### Review and outlook of Indian water heaters industry

The demand for water heaters is largely seasonal, because of which the penetration has stayed low. Also, the high energy costs associated with water heaters act as a deterrent for adoption of water heaters, especially in areas where the electricity supply is inconsistent. CRISIL Research estimates the electric water heater industry to be at Rs 18 billion in fiscal 2018, having grown at approximately 11% during fiscals 2014-18.

*Size of domestic electric water heater industry (Rs billion)*

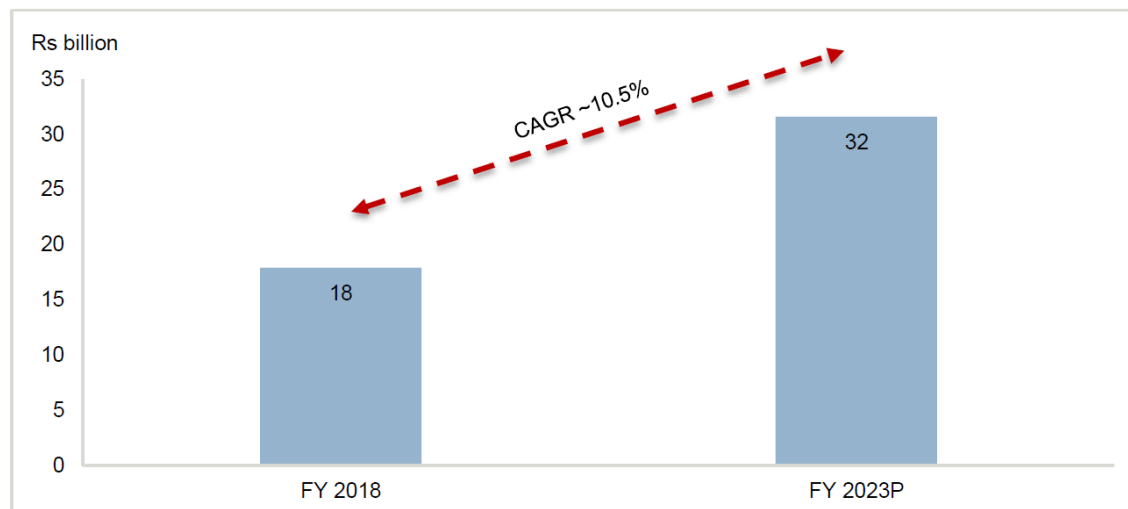


Source: Industry estimates, CRISIL Research

### ***Electric water heaters industry is expected to reach Rs 32 billion in fiscal 2023***

CRISIL Research estimates the electric water heaters industry to grow at approximately 10.5% during fiscals 2018-23, reaching Rs 32 billion in fiscal 2023.

*Size of domestic electric water heater industry (Rs billion)*



*Note: P: Projected*

*Source: Industry estimates, CRISIL Research*

### ***Rising disposable incomes and energy-efficient products to drive growth***

Industry interactions indicate that in many smaller towns and rural areas of India, water heaters are not considered essential since cheaper substitutes such as cooking stoves and fireplaces for heating water are used for the same purpose. This, coupled with limited availability of electricity, has kept the penetration of water heaters low. As water heaters become more affordable, and disposable incomes rise, their usage is expected to increase. Furthermore, the inclusion of water heaters in the mandatory appliances under The Standards & Labeling Programme of the BEE, Ministry of Power, Government of India, has led players to come up with more energy-efficient products. CRISIL Research expects this to reduce the energy costs required for operating electric water heaters, thus increasing their demand.

### ***Enhanced features to drive adoption and growth***

Industry sourcing indicates that electric water heaters are undergoing a revamp with the addition of new features to differentiate them from solar and gas-operated water heater players. CRISIL Research expects enhancements such as Wi-Fi enabled water heaters, water heaters with better coatings, automated temperature adjustments and leak detection to lead to improved demand from consumers in the medium to long term.

### ***Improved energy efficiency to boost demand***

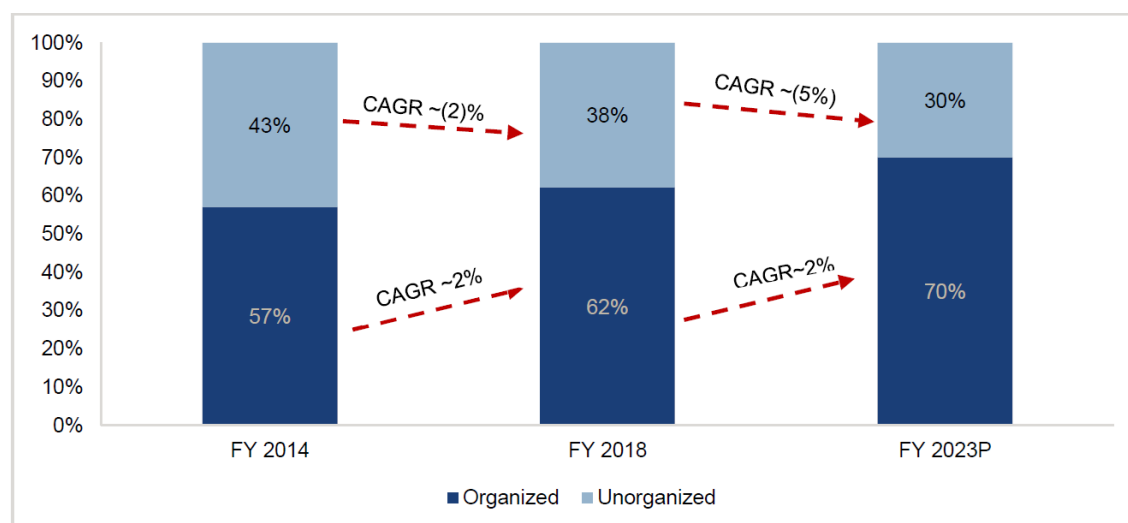
Water heaters have been included in the mandatory appliances in July 2015 under The Standards and Labelling Programme of the BEE, whereby the energy performance of the appliance is measured and assigned a star rating or label (on a scale of 1 to 5). Hence, organised players have begun producing more energy-efficient products, translating to a reduction in the energy costs required for the operation of electric water heaters, which CRISIL Research expects to boost their demand.

Additionally, compliance with The Standards and Labelling Programme has forced the unorganised players to become compliant, thus giving a boost to the organised segment.

### ***Organised players to gain from changing consumer preferences***

Industry interactions indicate that organised players occupy the major share of the electric water heaters industry in India. CRISIL Research estimates the organised sector to be at 59-61% as of fiscal 2018. AO Smith, Bajaj Electricals, Crompton Greaves Consumer Electricals, Havells India, Racold Thermo, Venus, and V-Guard Industries are some of the players in the organised sector. With increase in disposable incomes and preference for branded products, the organised sector is expected to gain further in the medium to long term. Additionally, CRISIL Research expects the implementation of GST to weigh in favour of the organised sector. GST is expected to bring down the price gap between organised and unorganised players and also impact availability of products at a pan-India level, thus leading to consolidation in the industry. Consequently, CRISIL Research estimates the organised share to reach 69-71% by fiscal 2023.

### Share of organised versus unorganised players (%)



Note: P: Projected

Values in parenthesis indicate decline

Source: Industry estimates, CRISIL Research

### Imports outpace exports by a significant margin

India has been a net importer of electric water heaters for fiscals 2009-18, except fiscal 2015, when exports surged to Rs 2.85 billion, making India a net exporter for the year. Exports have grown at 2.7% during fiscals 2008-18, whereas imports have grown rapidly at 42.2% during the same period.

#### Trade Outlook

The composition of top 25 countries contributing to water heater exports had been changing significantly since fiscal 2012. While the share of key export countries for water heaters such as Russia, Singapore, UAE, Nepal and USA remained largely stable between fiscals 2012 and 2017, fiscal 2018 saw their share decline to 28% as the players in the industry diversified to newer markets. Fiscal 2015 saw a one-off increase in total exports contributed by exports to Iran to the tune of Rs 2.8 billion.

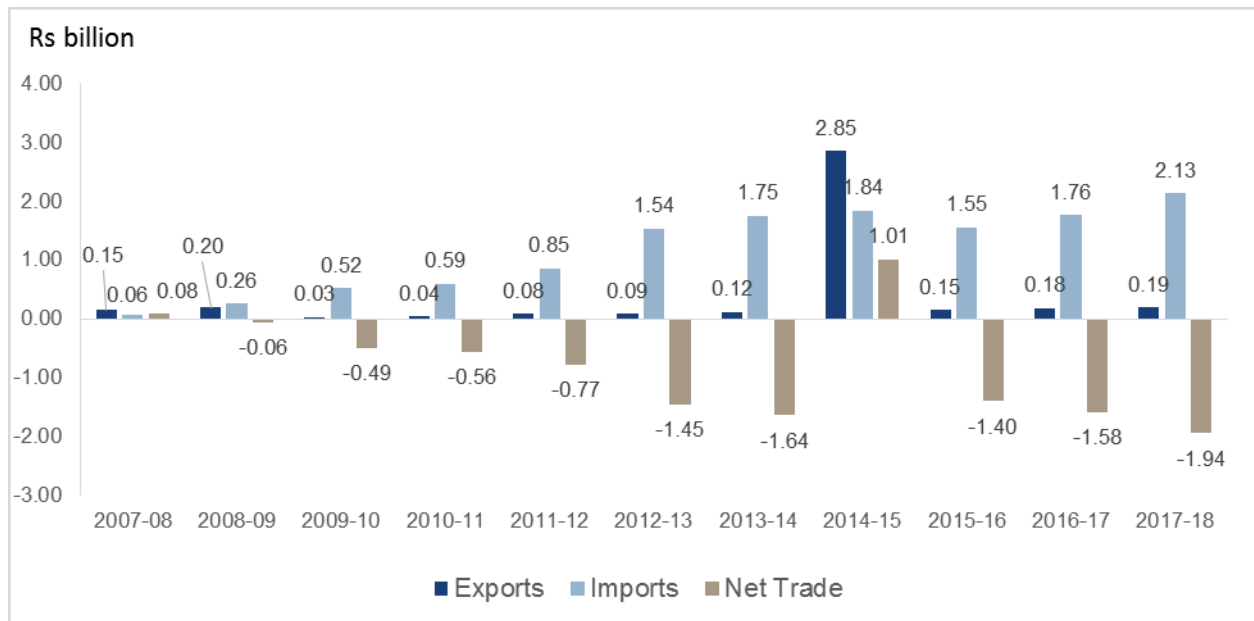
#### Trend in exports of water heaters from India

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	CAGR FY12-FY18
Total exports (in Rs billion)	0.08	0.09	0.12	2.85	0.15	0.18	0.19	15.3%
Russia (in Rs million)	19.26	20.18	17.21	17.54	17.11	30.31	0.01	-70.0%
Singapore (in Rs million)	11.44	12.17	7.73	7.00	20.19	15.50	9.39	-3.2%
UAE (in Rs million)	2.34	8.28	24.27	11.27	23.77	6.20	10.38	28.2%
Nepal (in Rs million)	1.35	4.74	8.18	7.39	8.52	13.45	20.92	57.8%
USA (in Rs million)	1.35	1.09	3.19	8.00	8.78	20.65	12.82	45.5%
Exports to key countries (Russia, Singapore, UAE, Nepal, USA) (in Rs billion)	0.04	0.05	0.06	0.05	0.08	0.08	0.05	7%
Share of key countries in India's water heaters exports (%)	50%	56%	50%	2%	52%	48%	28%	

Note: The values have been rounded off to the nearest decimal.

Source: Directorate General of Foreign Trade, Department of Commerce & Industry, CRISIL Research

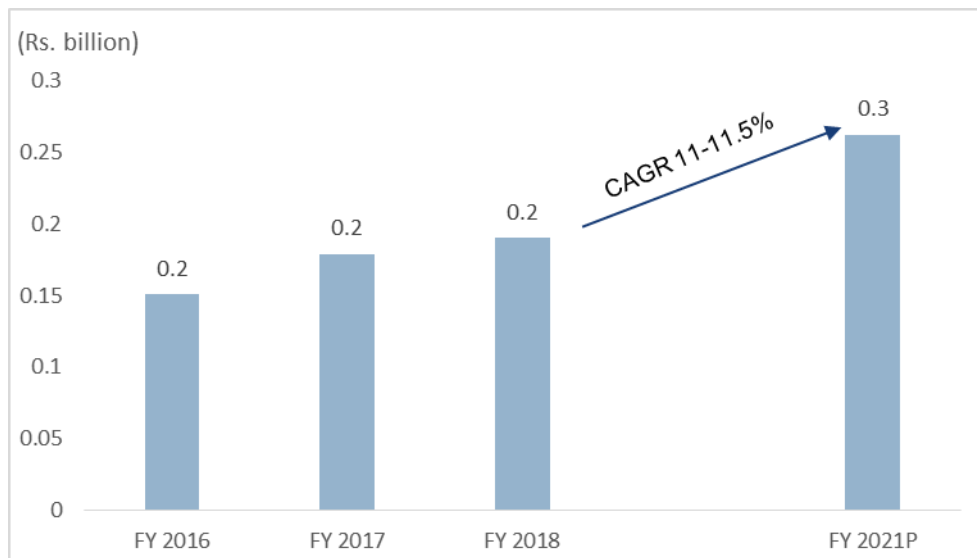
*Export – Import in value terms (Rs billion)*



*Note – For details on HS Codes used refer Annexure  
Source: Ministry of Commerce and Industry, CRISIL Research*

Going forward, CRISIL Research expects growth in exports of water heaters to continue at a moderate pace as players continue to improve quality and increase capacity to cater to domestic and global demand. Moreover, improvement in global sentiment is expected to have a positive impact on demand for water heaters industry as well. Consequently, CRISIL Research estimates the water heaters exports to grow by CAGR 11-11.5% and reach approximately Rs 0.3 billion by fiscal 2021 from Rs 0.2 billion in fiscal 2018.

*Water heaters export projection till FY2021 (in Rs billion)*



*Note: P: projected  
Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, CRISIL Research*

**Key risks/challenges**

*Solar water heaters gaining ground as a substitute product*

Solar water heaters are more energy-efficient than electric water heaters since they operate on renewable energy. Despite their high initial cost, demand for solar water heaters is growing with an increase in disposable incomes and rising awareness about the environment.



## Common demand drivers and government policies impacting the electrical products industry

### Government initiatives

**DELP/UJALA:** The Domestic Efficient Lighting Programme (“**DELP**”) scheme, inaugurated in January 2015, aims to replace 770 million incandescent bulbs with energy efficient LEDs in the residential sector across 100 cities by March 2019. This scheme was later renamed to Unnat Jyoti by Affordable LEDs for All on May 1, 2015. Residential consumers were to be provided with high quality LED bulbs at a concessional rate of Rs 100-105. As of July 2018, the government has distributed over 300 million LEDs across India, having saved about 39 billion kWh of energy and Rs 150 billion in costs. Falling LED bulb prices along with growing low-cost housing can boost mass adoption of LED bulbs at affordable prices.

**DDUGJY:** Because of the Deendayal Upadhyaya Gram Jyoti Yojana, CRISIL Research expects several factors to boost power demand in the agriculture sector in next five years. These factors include rural electrification, segregation of agricultural and non-agricultural feeders, strengthening and augmentation of T&D infrastructure in rural areas and metering of transformers/feeders/consumers.

Particulars (in nos.)	Scope	Achievement	Percentage
Un-electrified villages (UEV)	129274	122393	95%
Intensive electrification of villages(IEV)	768089	420831	55%
Household electrification (in million)	179	135	75%
BPL households covered (in million)	43.6	25.7	59%

Source: DDUGJY and garv portal (<http://garv.gov.in/dashboard>)

Since electrification of a village means electrification of at least 10% of its households, a village declared electrified under DDUGJY does not indicate all the households in the village are electrified. While 95% rural electrification has been completed as of May 2017, approximately 44 million households are still not electrified, while 45% of the villages are yet to be electrified. Thus, a strong growth potential exists in rural areas, which would be achieved under DDUGJY scheme between fiscals 2018 and 2022.

**SLNP:** Launched on January 5, 2015, the Street Lighting National Programme targets replacement of 14 million conventional street lights in India with smart LED variants by 2019. As of July 2018, the government has completed Smart LED conversion of more than 6 million street lights. LED bulb usage is set to rise as rural and urban infrastructure development speeds up.

**UDAY:** The Ujwal Discom Assurance Yojana scheme was launched on November 20, 2015, to help state discoms recover from huge accumulated losses and piling debt, and supplement efforts for rural electrification and overall infrastructure development. With almost all major states (except West Bengal) joining UDAY scheme and bonds worth Rs 2.3 trillion being issued (approximately 86% of target) as of July 2018, the debt and interest burden of discoms has been reduced, resulting in higher liquidity. With operational parameters showing signs of improvement, the difference between Average Cost of Supply (“**ACS**”) per unit of power and per unit average revenue realized (“**ARR**”), also called ACS-ARR gap, and AT&C losses have reduced to Rs 0.21/unit and 18.74%, respectively, in July 2018, from Rs 0.58/unit and 24.6%, respectively, in March 2015. Improved liquidity will enable the discoms to invest in strengthening its distribution networks, which would help them further bring down AT&C losses and reduce the ACS-ARR gap. CRISIL Research expects this to ease the financial stress of discoms and improve their power off-take ability, thereby increasing power demand.

**SAUBHAGYA:** The government is aiming to boost residential power demand through the Pradhan Mantri Sahaj Bijli Har Ghar Yojana scheme. Assuming monthly consumption of such households at 100 kWh/ month, the scheme, if implemented successfully, has the potential to increase power demand by 45- 50 BUs (approximately 4% of the power demand in fiscal 17). Nevertheless, such an increase would be gradual and depends upon the discoms’ ability to provide reliable and uninterrupted supply to such households. Thus, even after achieving the last mile connectivity under Saubhagya scheme, discoms, to cut AT&C losses, would still be reluctant in providing continuous supply to these households. As of July 2018, the scheme had achieved electrification of close to 8.4 million (approximately 31%) of 27.2 million non-electrified households in the country.

### Housing for All by 2022

In the bid to provide ‘Housing for All’ by 2022, the government launched the Pradhan Mantri Awas Yojana (“**PMAY**”) in June 2015. It is to be implemented through four components – slum redevelopment, affordable housing in partnership, credit-linked subsidy, and subsidy for beneficiary-led housing.

Under PMAY (Urban), the government aims to construct 20 million households by 2022, and has completed construction of close to 0.8 million households out of the 5 million sanctioned and 2.9 million grounded for construction, as of July 16, 2018. Out of the Rs 780 billion sanctioned under PMAY (U), Rs 276 billion has been released in central assistance, as of July 16, 2018.

Under PMAY (Gramin), the government aims to construct 30 million households by 2022, and has completed construction of close to 4.3 million households out of the 8.6 million sanctioned, as of July 16, 2018. Out of the Rs 1.25 trillion sanctioned under PMAY (G), Rs 876 billion has been released and Rs 752 billion has been utilised, as of July 26, 2018.

Although the scheme's progress is slow and it is unlikely to achieve its target, it will gather pace over the next five years and result in a significant increase in the number of households. Wider access to affordable housing through successful implementation of this mission will increase the purchase of electrical products.

### ***Government's focus on improving electrification***

The government has introduced various schemes with specific objectives targeted at different sections of the country. CRISIL Research expects schemes such as DELP, UJALA, and SLNP to drive demand for LED bulbs in the lightings segment, helping cost reduction and energy savings. Initiatives such as Saubhagya and DDUGJY could spur growth for electrical products for household purposes as well as for rural infrastructure. The revival of discoms through UDAY can support the implementation of the government's electrification initiatives.

### ***Impact of GST***

The initial GST rates were higher than the cumulative tax levied (includes VAT of 5-14.5% and Excise of approximately 10%) on home electricals. The revised rates are lower than pre-GST rates.

Segment	Pre-GST effective tax rates	Initial GST rates	Revised rates
Fans	24.5%	28%	18%
Switches	15%	28%	18%
Electrical wires	15%	28%	18%
Water heaters	24.5%	28%	18%
Lightings	24.5%	28%	18%
LED lights and fixtures	15%	12%	12%
Switchgears	22%	18%	18%

Source: Industry, CBEC

Effective implementation under the GST with emphasis on value addition, amalgamation of a large number of central and state taxes into a single tax; and set-off allowance of prior-stage taxes - has largely mitigated the ill effects of cascading. Per CRISIL Research's expectations, industry stabilization, under the new tax regime, took a couple of quarters. Input tax credit, being the crux of GST mechanism, has ensured wider coverage of tax payers in the supply chain. As supply from registered taxpayers is only allowed for input tax credit, businesses and stakeholders have been insisting on registration of their suppliers and traders, leading to an increase in the share of organised participants across industries.

### ***Make in India***

The campaign looks to increase the share of manufacturing in GDP from 16% to 25%. The capital goods policy aims at increased production of capital goods from the current Rs 220 billion to Rs 750 billion by 2025. Increased electricity consumption due to a focus on manufacturing will increase demand for electrical products for industrial and commercial applications.

### ***DFC infrastructure***

DFCs are intended to help the Indian Railways regain lost freight share. By cutting the turnaround time between the importing and consuming destinations, CRISIL Research expects them to compel several industries to realign their logistics strategies. The DFCs and associated logistics parks can help lower plant-level inventory to a great extent, ensuring huge savings in working capital. Not only would DFCs ensure faster freight movement but also help the overall economy through decongestion of major highways due to the partial shifting of some freight to rail. It will also allow for faster evacuation of cargo from ports, improving efficiency.

According to CRISIL Research, construction spend in both DFCs will amount to Rs 520 billion over five years. The eastern DFC (estimated cost of Rs 195 billion, excluding the PPP stretch) is being funded by the World Bank through a loan of \$2.36 billion (approximately Rs 158 billion). The western DFC (estimated cost of Rs 394 billion) is funded by the Japan International Cooperation Agency through an Rs 387.2 billion loan. The DFC will offer significant scope for construction as approximately 98% of the 10,589 hectares required (except for the PPP stretch) has been acquired across both corridors as of January 2018. According to DFCCIL, as much as 62% of the electrical contracts worth Rs 73 billion have been awarded, which leaves contracts worth approximately Rs 27 billion for potential bidders.

### ***SMART cities mission***

The government introduced the Smart Cities Mission in June 2015 for the development of 100 smart cities from fiscals 2017 to 2020, to meet the infrastructure and services expectations of citizens. The objective of the mission is to promote cities that

provide core infrastructure and smart solutions to citizens apart from giving them a clean and sustainable environment and a decent quality of life. These selected cities, once developed, will create a model expected to be replicated by other cities in the country over the course of time.

The central government will contribute Rs 5 billion per city (Rs 2 billion in the first year and Rs 1 billion each for the next three years) in a phased manner. The rest will be met through a combination of contribution from the state government, PPP, debt, user charges and convergence with other existing schemes such as Atal Mission for Rejuvenation and Urban Transformation, Pradhan Mantri Gramin Awas Yojana (PMAY) etc. A special purpose vehicle (“SPV”) will implement the Smart City Mission and be responsible for planning, approving, releasing funds, and monitoring the progress of the projects. The SPV’s board will include nominees of the central as well as the state governments, along with nominees of the respective urban local body, to monitor the progress and utilisation of funds provided by the government.

The selection of smart cities was done in various stages with the last nine cities having been selected in January 2018. The following cities submitted winning proposals across stages of the SMART cities mission:

Round	Month of selection	No. of cities	Cities
Round 1	Jan 2016	20	Bhubaneshwar, Pune, Jaipur, Surat, Kochi, Ahmedabad, Jabalpur, Vishakhapatnam, Solapur, Davanagere, Indore, NDMC, Coimbatore Kakinada, Belagavi, Udaipur, Guwahati, Chennai, Ludhiana, Bhopal
Fast Track	May 2016	13	Lucknow, Warangal, Dharamshala, Chandigarh, Raipur, Newtown Kolkata, Bhagalpur, Panaji, Port Blair, Imphal, Ranchi, Agartala, Faridabad
Round 2	Sept 2016	27	Amritsar, Kalyan-Dombivali, Ujjain, Tirupati, Nagpur, Mangaluru, Vellore, Thane, Gwalior, Agra, Nashik, Rourkela, Kanpur, Madurai, Tumakuru, Kota, Thanjavur, Namchi, Jalandhar, Shivamogga, Salem, Ajmer, Varanasi, Kohima, Hubballi-Dharwad, Aurangabad, Vadodara
Round 3	June 2017	30	Thiruvananthapuram, Naya Raipur, Rajkot, Amaravati, Patna, Karimnagar, Muzaffarpur, Puducherry, Gandhinagar, Srinagar, Sagar, Karnal, Satna, Bengaluru, Shimla, Dehradun, Tiruppur, Pimpri Chinchwad, Bilaspur, Pasighat, Jammu, Dahod, Tirunelveli, Thoothukudi, Tiruchirapalli, Jhansi, Aizawl, Allahabad, Aligarh, Gangtok
Round 4	Jan 2018	9	Silvassa, Erode, Diu, Biharsharif, Bareilly, Itanagar, Moradabad, Saharanpur, Kavaratti

Source: Ministry of Housing and Urban Affairs

The timeline for the completion of smart city projects according to the rounds in which they were selected is given below:

- Round 1 cities – Fiscals 2020-21
- Round 2 cities – Fiscals 2020 to 2022
- Round 3 cities – Fiscals 2021-22
- Round 4 cities – Fiscals 2021 to 2023

Smart cities mission budget and progress:

Round	Winning proposals	Total area based development cost (Rs Bn)	Total pan city solution cost (Rs Bn)	Total cost of projects (Rs Bn)	Funds released (Rs Bn)
Round 1	20	37,123	10,941	48,064	39.2
Fast-track	13	25,974	3,821	29,795	20.83
Round 2	26	42,524	11,379	53,903	37.62
Round 3	30	46,979	10,515	57,493	7.03
Round 4	9	11,605	2,258	13,917	0.29
Overall	<b>100</b>	<b>164,204</b>	<b>38,914</b>	<b>203172</b>	<b>104.97</b>

Source: Ministry of Housing and Urban Affairs

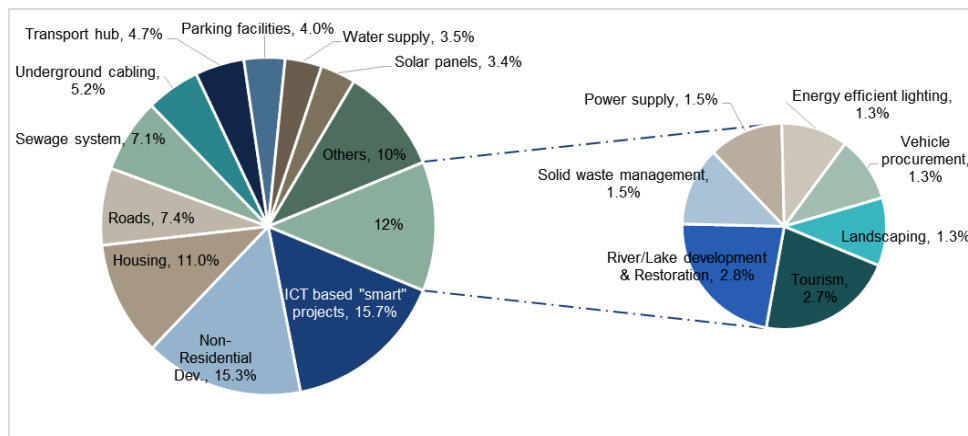
Update as of May 2018:

- Nine smart cities viz. Ahmedabad, Rajkot, Vadodara, Visakhapatnam, Bhopal, Pune, Kakinada, Surat, and Nagpur have already established Integrated City Command and Control Centres (ICCC). Work is under progress on 14 more and 32 are under tendering stage.
- 1,333 projects worth Rs 506 billion have been completed or under implementation/tendering. Overall projects worth Rs 2.03 trillion have been identified for all 99 smart cities across the country.

SMART cities will have key elements such as assured electricity supply, underground power network, efficient urban mobility and public transport, affordable housing, and energy management, including streetlight control and monitoring systems. CRISIL Research expects the focus on energy efficient lighting to boost LED lighting products. Affordable housing in smart cities will drive demand for household electrical products.

A key point to note is that a majority of the area-based development projects are in construction-intensive segments, with most cities aiming to improve their core infrastructure facilities such as housing, roads, water supply amongst other facilities. This represents a significant opportunity for EPC players in the country and would have a positive cascading effect on players in the cables and wires industry.

**Investments largely proposed in construction-intensive segments**



Note: Based on smart city proposals of announced 90 smart cities  
 Source: MoUD, CRISIL Research

**Qualitative overview of EPC opportunities in India**

Infrastructure investment remains a key area for sustainable growth for emerging and developing economies, bringing opportunities for the engineering, procurement and construction (“EPC”) industry. The Government of India’s initiatives dealing with rural electrifications, power distribution and transmission, solar and wind energy installation, and infrastructure development in urban and rural areas, have in the past and will in the future, help create growth for EPC companies in India.

Cables and wires form a major proportion of the cost of power EPC projects. Manufacturers of cables and wires can provide EPC consulting for the power and allied industries and increase their scope. The scope of EPC in cable and wire Industry includes (but is not limited to):

**Transmission**

- Conversion of existing overhead lines to underground cabling network
- Trenching, Cable laying, termination, testing and commissioning
- Switchgears, control and relay panel and metering

**Distribution**

- Substations Infrastructure
- Trenching, cable laying, termination, testing and commissioning (11KV to 33KV)
- High Tension (“HT”)/Low Tension (“LT”) switchboards
- Control, protection and metering systems
- Earthing, lighting and lightning protection

**Total cable solutions**

- Providing a complete package for underground power distribution involving system design, supply of cables, cables joining and termination, and laying and commissioning
- Providing cable monitoring system

Metro rail, solar and wind projects, and infrastructure development in areas such as power transmission and distribution and rural electrification offer new opportunities to the cables EPC business.

*Government Initiatives supporting the EPC segment*

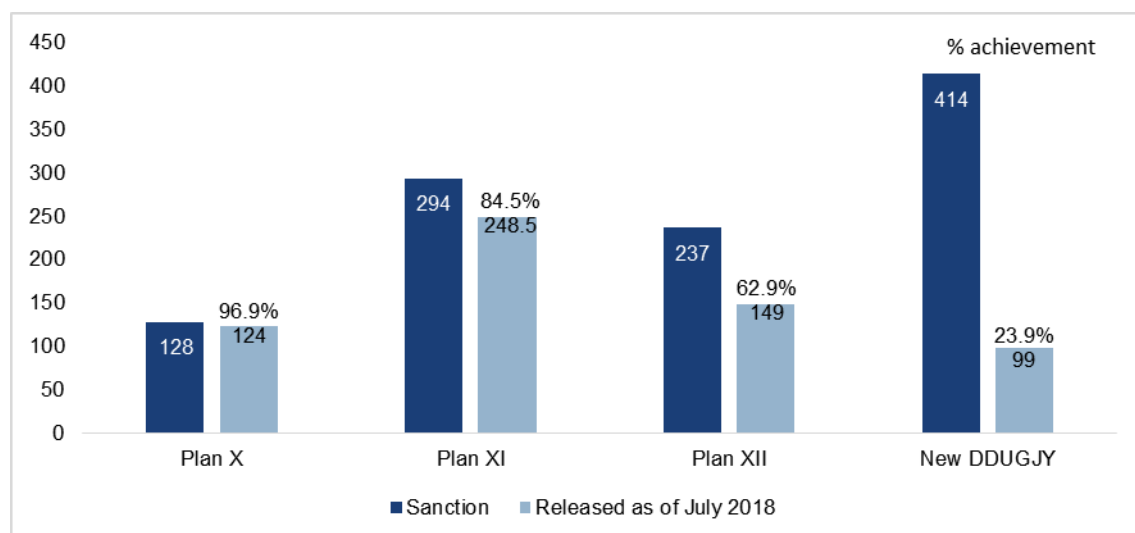
*Deendayal Upadhyaya Gram Jyoti Yojana*

The union government launched the DDUGJY in December 2014, with the Rural Electrification Corporation Limited the nodal agency for the scheme. The main objectives of the DDUGJY scheme are to provide access to power to all rural households and reduction of AT&C losses as per the trajectory finalised in consultation with states by the Ministry of Power. This is to achieve uninterrupted power supply for non-agricultural consumers and adequate power supply for agricultural consumers through defined project components. The scheme will encompass the erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana programme.

The scheme will carry out projects for following components:

- Separation of agriculture and non-agriculture feeders facilitating separate and regulated supply
- Strengthening and augmentation of sub-transmission and distribution infrastructure in rural areas to improve the quality and reliability of the supply
- Rural electrification

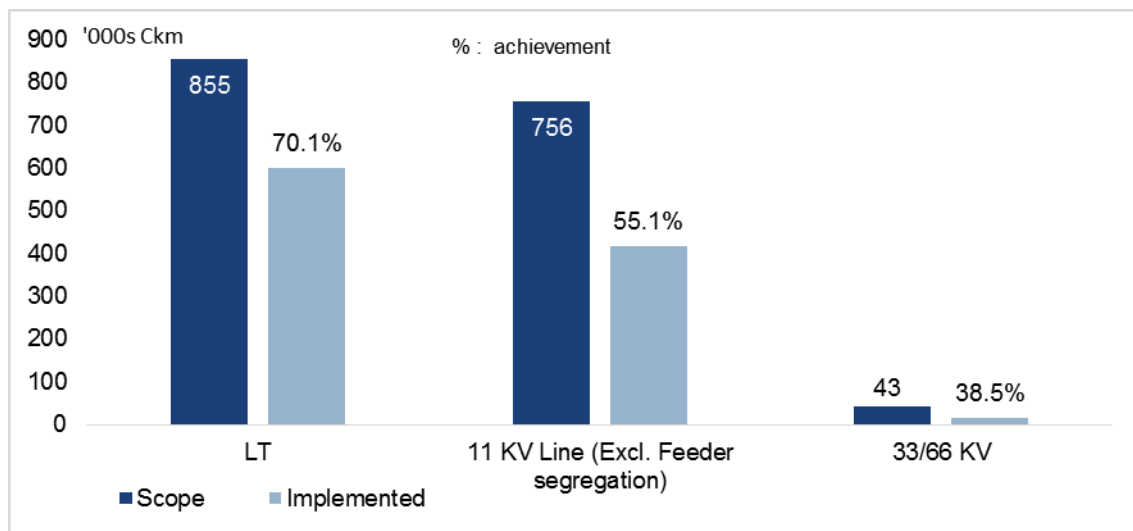
*Financial progress of DDUGJY*



Source: DDUGJY Executive report dated 31st July 2018, CRISIL Research

Strengthening of the sub-transmission and distribution system includes creation of new sub stations along with associated 66 KV / 33 KV/ 22 KV/ 11 KV lines, renovation and modernisation of existing sub-stations and lines, erecting aerial bunched cable for theft-prone areas, etc. Other details of the DDUGJY guidelines are available on the DDUGJY portal.

*Scope of power lines:*



Note: Ckm - Cable Kilometres

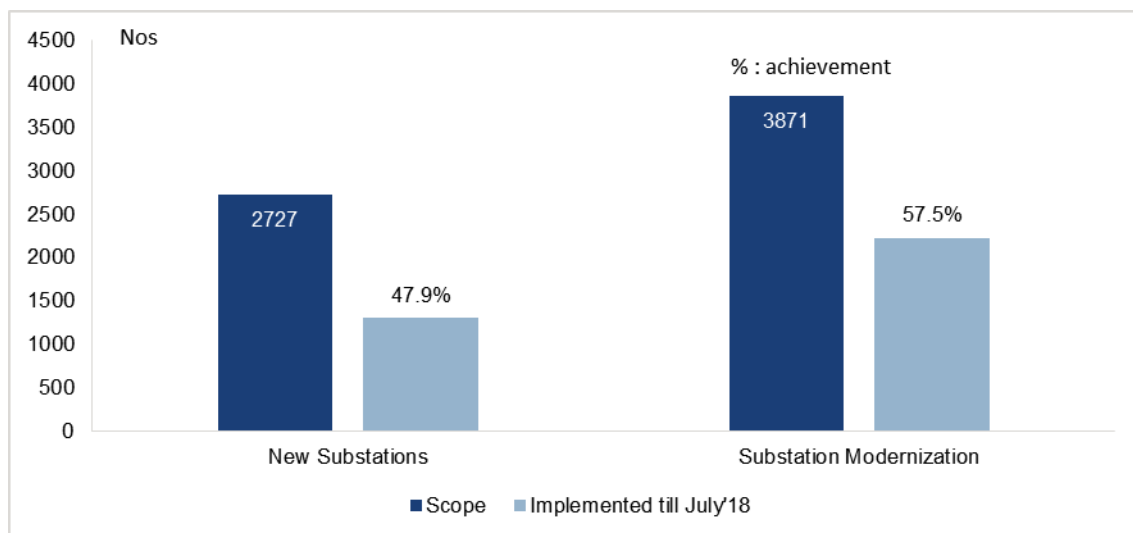
Source: DDUGJY Executive report dated 31st July 2018, CRISIL Research

As at July 31, 2018, cumulatively for 5,934 DDUGJY projects, Rs 1086 billion has been sanctioned and a sum of Rs 624 billion (including a GOI grant of Rs 573 billion) has been disbursed to the implementing agencies. As many as 69% of the villages are covered under the intensive electrification project as at July 31, 2018.

DDUGJY has achieved 100% village electrification in May 2018 and will now focus on new household electrification and sub-stations infrastructure development.

Rural electrification projects and upgradation plans of existing sub-station infrastructure will lead to an increase in EPC consignments in the power sector. This augments demand for cables and wires and also brings in new areas for business expansion in the EPC segment.

*Scope of sub-station infrastructure:*



Source: DDUGJY Executive report dated 31st July 2018, CRISIL Research

*Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya*

The Government of India launched Saubhagya in 2017 with the objective of universal household electrification by providing last mile connectivity and electricity connection to all un-electrified households in rural and urban areas. Rural Electrification Corporation Limited is the nodal agency for implementation of the scheme.

As of October 2017 there were approximately 35 million un-electrified households in the country and they were targeted for providing electricity connections by December 2018. As of August 2018, approximately 24 million households are still to be electrified as per the Saubhagya progress report.

According to the Saubhagya progress report, Jharkhand, Uttar Pradesh, Meghalaya, Assam, Arunachal Pradesh are the bottom 5 states in terms of % of households to be electrified. States with a low proportion of households electrified are the focal areas of development and hence forms key geographies for upcoming projects.

#### *Integrated Power Development Scheme (IPDS):*

The Government of India proposed the 'Integrated Power Development Scheme' Scheme in December 2014 with the objectives of:

- Strengthening of sub-transmission and distribution networks in the urban areas
- Metering of distribution transformers / feeders / consumers in the urban areas
- IT enablement of distribution sector and strengthening of distribution network under R-APDRP for 12th and 13th Plans by carrying forward the approved outlay for R-APDRP to IPDS
- Schemes for enterprise resource planning and IT enablement of balance urban towns are also included under IPDS. Scope of IT enablement has been extended to all 4041 towns as per Census 2011
- Underground cabling, smart metering solution for performing UDAY states, and provisioning solar panels on government buildings

Strengthening of the sub-transmission and distribution network includes:

- Creation of new sub-stations, including gas-insulated sub-stations with associated 66 KV / 33 KV/ 22 KV/ 11 KV lines
- Erection of HT lines for reorientation/ re-alignment including augmentation of existing lines
- Laying of underground cables in densely populated areas and areas of tourism and religious importance

Project work for underground cabling to pick up

The monitoring committee on June 2017 granted Rs 18,430 million outlay (corresponding to GoI grant of Rs 14,020 million) for underground cabling in urban areas. All government-owned discoms and state power departments are eligible for financial assistance for underground cabling projects subject to the criteria mentioned as per the underground cabling guidelines. The ministry had called for detailed project reports from states and discoms to this effect.

#### *Smart City Mission*

The government has not proposed any fixed investment plan for Smart City Mission and has left it to the various city administrations to come up with a relevant plan for the city according to their requirements.

As much as 5.2% of the total proposed investments in smart cities will be for underground cabling for power distribution. Replacing overhead electric wiring with underground wiring is an essential feature of Smart City Proposals as part of visible improvement in the city area. Bhubaneswar, Pune, Kochi, Jabalpur, Visakhapatnam, Coimbatore, Kakinada, Davanagere, Agartala, Bhagalpur, Raipur, Warangal, Faridabad and Mangalore are few of the cities who have planned underground cabling networks. Investment in smart metering, efficient transmission and distribution, and underground cabling networks brings opportunities for EPC players.

#### **Smart Cities Mission budget and progress**

Round	Winning proposals	Total area-based development cost (Rs bn)	Total pan-city solution cost (Rs bn)	Total cost of projects (Rs bn)	Funds released (Rs bn)
Round 1	20	37,123	10,941	48,064	39.2
Fast-track	13	25,974	3,821	29,795	20.83
Round 2	26	42,524	11,379	53,903	37.62
Round 3	30	46,979	10,515	57,493	7.03
Round 4	9	11,605	2,258	13,917	0.29
<b>Overall</b>	<b>100</b>	<b>164,204</b>	<b>38,914</b>	<b>203172</b>	<b>104.97</b>

Source: Ministry of Housing and Urban Affairs

Update as of May 2018:

- Nine smart cities, viz., Ahmedabad, Rajkot, Vadodara, Visakhapatnam, Bhopal, Pune, Kakinada, Surat and Nagpur have already established Integrated City Command and Control Centres (ICCC). Work is under progress on 14 more and 32 are under tendering stage
- 1,333 projects worth Rs 506 billion have been completed or are under implementation/tendering. Overall, projects worth Rs 2.03 trillion have been identified for all 99 smart cities

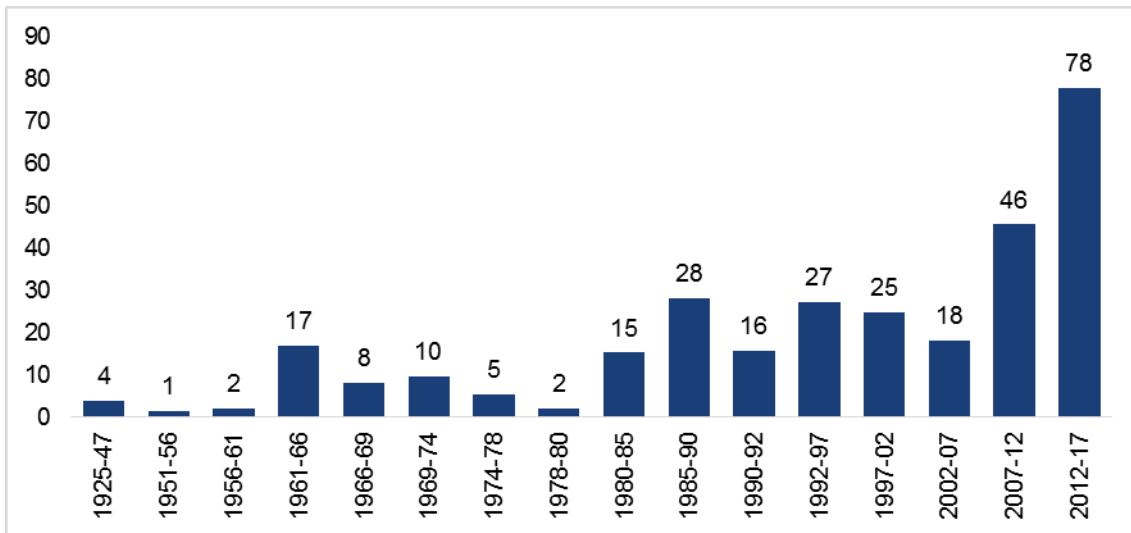
Smart cities will have key elements such as assured electricity supply, underground power network, efficient urban mobility and public transport, affordable housing, and energy management, including streetlight control and monitoring systems. Focus on energy efficient lighting is expected to boost LED lighting products. Affordable housing in smart cities will drive demand for household electrical products.

A key point to note is that a majority of the area-based development projects are in construction-intensive segments, with most cities aiming to improve their core infrastructure facilities such as housing, roads, water supply, etc., thereby representing a significant opportunity for EPC players. This would have a positive cascading effect on players in the cables and wires industry as well.

*Railway electrification*

To reduce India’s dependence on imported petroleum, enhance energy security, and modernise the system, the Indian Railways have been progressively electrifying rail routes. To adequately fund the project, extra-budgetary resources (institutional finance) or EBR-IF (long-term funds), has been introduced from fiscal 2016. These finance throughput enhancement projects of the Railways such as doubling and electrification, which otherwise face resource constraints.

*Progress of railway electrification (in 00s km)*



Source - Railway Ministry Annual Report 2017

As much as 2,013 km of the route was electrified during fiscal 2017 as against 1,730 km in fiscal 2016. Further, the Indian Railways has prepared an action plan for the electrification of 90% of the broad-gauge network by fiscal 2021. Accordingly, it has been planned to electrify 24,400 route km in five years (fiscals 2017 to 2021).

Some 2,460 km of the railway route was sanctioned in fiscal 2017 under the planning head of railway electrification. Optimal electrification of the railway network was set as a priority in the 2019 Union budget. Along with that, the government is focused on annual targets of the Indian Railways and has targeted 4,000 km of commissioning during fiscal 2019.

Parameter	FY14	FY15	FY16	FY17
Electrification projects	1,263.06	1,386.67	2,265.19	2,870.90 (82% of allocated)
Signalling and telecommunications work	899.47	1,002	892.89	951.56

Source: Railway Ministry Annual Report, CRISIL Research

Electrification projects have seen an increase in investments over the few years at approximately 30% CAGR in expenditures (fiscals 2014-17). On account of the growing focus and increase in investments, railway electrification and allied projects are other areas where EPC companies can benefit from infrastructure development.



## Metro projects implementation

Government thrust on urban infrastructure development is expected to drive investment in the sector over next five years.

Metro projects are pegged to be second-largest urban infrastructure investment contributor over the next five years.

CRISIL Research estimates that construction spends on metros will increase 1.9 times to approximately ₹ 1.1 trillion over next five years, making it the second-largest contributor to urban infrastructure investments. In the Union Budget of fiscal 2018, allocation to metro projects rose 80% over fiscal 2017 budget estimates. The revised estimates of fiscal 2017 were 57% higher than the budget estimates. Furthermore a new metro rail policy was announced in the budget, targeted at developing private investor interest in the segment.

Project	Investment over next 5 years (Rs billion)
Delhi Metro Rail Project - Phase IV	231
Bangalore Metro Rail Project-Phase-II	224
Colaba-Bandra-Seeepz Metro Rail Project Line 3	178
Dahisar-Charkop-Bandra-Mankhurd Metro Rail	115
Wadala-Ghatkopar-Teen Hath Naka (Thane)-Kasarwadavli Metro Project Line 4	80
Nagpur Metro Rail Project	69
Dahisar-Andheri Metro-7 Corridor Project	69
Kolkata Metro Project-Phase II	64
Delhi Metro Rail Project - Phase III	62
Noida-Greater Noida Metro Rail Project	58

Source: CRISIL Research

Approximately 400 km of metro rail network is already operational, while another 480 km is under execution in cities such as Delhi, Mumbai, Kolkata, Hyderabad, Ahmedabad, Jaipur, Kochi, Nagpur, Gurgaon, Lucknow and Noida. Metro projects in other cities such as Pune, Indore, Meerut, Patna, Kanpur, Guwahati, Ludhiana, Visakhapatnam, Kozhikode and Varanasi are still in planning stage.

Several projects in cities such as Mumbai, Pune, Ahmedabad, Chennai, Kanpur, and Guwahati together add up to 120 km of planned underground metro projects. These upcoming metro projects and related infrastructure development projects will bring opportunities for cabling solution providers.

The above-mentioned government schemes and programmes will increase demand for EPC projects on account of development in power transmission & distribution infrastructure, expansion of existing power network, replacement of overhead lines with underground cables and infrastructure development. In India, transmission and distribution (“T&D”) segment offers growth opportunity for EPC segment, as large-scale investment by central and state governments in the form of energy generation projects, integration of renewable energy in the grid, strengthening of sub-transmission and distribution systems, reduction in T&D losses, and electrification of villages has potential for new consignments in future.

## Key players in electrical products industry in India

CRISIL Research has compiled profiles of key players in the cables and wires, and electric consumer durables (“ECD”) industries in India as detailed below. Information in this section is sourced from company websites including annual reports and investor presentations, regulatory filings, rating rationales and / or product brochures.

### Key Players in electrical products industry

Players	Year of commencement of business	Key product segments	Distributors network*	Export market	No of plant locations
Apar Industries Ltd	1958	Cables, Conductors & lubricants	-	100 countries: focus on, Middle east, Africa, South America & South-east Asia	2
Bajaj Electricals Ltd	1938	ECD & EPC <sup>#</sup>	1,000 / ~1,60,000	Focus on Africa and ASEAN	2
Crompton Greaves Consumer Electricals Ltd	1947	ECD & Power solutions	3000+ / 1,50,000+	20 countries with focus on Indian sub-continent, Middle east and Africa	8
Finolex Cables Ltd	1945	Cables & ECD	3500 + / -	-	5

Players	Year of commencement of business	Key product segments	Distributors network*	Export market	No of plant locations
Gupta Power Infrastructure Ltd	1961	Cables	- / 5000	N.A	3
Havells India Ltd	1983	Cables, ECD & Others	1300 / 1,00,000+	Middle East, ASEAN, Africa	8
KEC International Ltd	1945	Cables & EPC	-	100 countries -- focus on Saudi Arabia, SAARC, MENA	7
KEI Industries Ltd	1968	Cables & EPC	~1200 / -	45 countries -- SAARC, Middle east & Africa	3
Orient Electric Ltd	1936	ECD	4000+ / 1,00,000	35+ countries: US, EU and Africa	5
Philips Lighting India Ltd	1930	ECD	-	-	2
Polycab India Limited	1972	Cables, ECD and EPC	3,372 / 1,00,000+	Focus on European Union, UK, Africa	5
R R Kabel Ltd	1999	Cables	-	-	2
Schneider Electric India Pvt. Ltd	1963	ECD & others	-	-	-
Surya Roshni Ltd	1973	ECD	2000 / 2,00,000	25 countries across Middle east, Europe, Africa and Asia	6
TTK Prestige Ltd	1955	ECD	-	-	6
Usha International Ltd	1934	ECD & others	500 / 20,000	-	N.A
V-Guard Industries Ltd	1977	Cables, ECD & others	564 / 25,000-30,000	-	9

N.A – Not available; #: EPC – Engineering Procurement & Contraction, ECD - Electric Consumer Durables

\*Distributor network follows format of no of distributor dealers / no of retail outlets

Note: Financials in the key players sections have been reclassified as per CRISIL Standards

Source: Company Annual Reports and Investor Presentation, CRISIL Research

#### Financials for Fiscal 2018 and 2014

Players	Revenue from operations in FY 2018 (Rs Bn)	Revenue from operations in FY 2014 (Rs Bn)	CAGR of operating revenue (FY14-FY18)	Operating Margins in FY2018 (%)
Apar Industries Ltd	58.3	46.3	5.9	7.3
Bajaj Electricals Ltd	47.6	40.3	4.3	7.3
Crompton Greaves Consumer Electricals Ltd <sup>o</sup>	40.8	28.5	9.4	13.0
Finolex Cables Ltd	29.0	23.6	5.2	18.0
Gupta Power Infrastructure Ltd <sup>*</sup>	31.1	18.1	19.8*	5.4
Havells India Ltd	81.6	86.8	-1.5	13.2
KEC International	100.6	79.0	6.3	10.9
KEI Industries Ltd	34.7	16.3	20.8	10.0
Orient Electric Ltd <sup>#</sup>	16.5	11.4	6.2	8.5
Philips Lighting India Ltd <sup>* \$</sup>	33.2	31.8	1.1	8.8
Polycab India Limited	67.8	39.9	14.2	10.9
R R Kabel Ltd <sup>*~</sup>	15.8	11.4	11.5*	11.4
Schneider Electric India Pvt. Ltd <sup>^*</sup>	46.4	-	-	7.5
Surya Roshni Ltd	49.3	30.3	13.0	7.1
TTK Prestige Ltd	19.8	13.0	11.2	12.9
Usha International Ltd <sup>*</sup>	23.0	18.5	7.4*	1.4
V-Guard Industries Ltd	23.3	15.2	11.3	8.2

Source: Company Annual Reports and ^ Statement of audited results for quarter ending March 2018, CRISIL Research

Note: Financials in the key players sections have been reclassified as per CRISIL Standards

\* Financials are for fiscal 2017, latest available with MCA, CAGR is for FY14-FY17  
 #: Orient Electric Ltd. Was part of Orient Paper industries for fiscal 2014 and hence margins are unavailable  
 %: Crompton Greaves Consumer Electricals Ltd was demerged in 2015, FY 2014 financials are as per segmental reporting of Crompton Greaves Limited's consumer products segment.  
 \$: Philips Lighting India Ltd was demerged in fiscal 2016, financials from fiscals 2014 to 2015 are as per segmental reporting of Philips India Ltd. 's lighting segment  
 ^: Financials for Schneider Electric India Pvt. Ltd were available from FY2015-FY2017 on MCA portal  
 N.Ap: Not applicable  
 Revenue from operations is inclusive of related income, net of excise duties  
 Operating margin is OPBDIT margin (operating profit before depreciation, interest and taxes) calculated as OPBDIT / Revenue from operations  
 ~: Financials for R R Kabel Ltd were available from FY2015-FY2017 on MCA portal

#### Financials for Fiscal 2018

Players	ROE (%)	ROCE (%)
Apar Industries Ltd	13.6	26.0
Bajaj Electricals Ltd	9.3	14.2
Crompton Greaves Consumer Electricals Ltd	N.Ap	N.Ap
Finolex Cables Ltd	14.5	23.5
Gupta Power Infrastructure Ltd*	13.0	13.6
Havells India Ltd	24.2	24.5
KEC International	0.3	28.9
KEI Industries Ltd	27.0	23.2
Orient Electric Ltd	49.8	58.4
Philips Lighting India Ltd*	26.1	59.4
Polycab India Limited	17.1	22.3
Schneider Electric India Pvt. Ltd*	21.4	19.4
Surya Roshni Ltd^	0.1	13.4
TTK Prestige Ltd	0.3	37.8
Usha International Ltd*	-54.8	3.0
V-Guard Industries Ltd	19.7	26.0

Source: Company Annual Reports and ^ Statement of audited results for quarter ending March 2018, CRISIL Research

Note: Financials in the key players sections have been reclassified as per CRISIL Standards

\* Financials are for fiscal 2017, latest available with MCA

N.Ap: Not applicable

ROE is return on equity calculated as PAT / Tangible net worth

ROCE is return on capital invested calculated as PBIT / Total debt plus tangible net worth

#### Segmental Revenues for Fiscal 2018

Players	Revenue from Cables and Wires (Rs Bn)	Revenue from ECD^ (Rs Bn)	Revenue from Cables and Wires (%)	Revenue from ECD^ (%)	Revenue share from other segments (%)
Apar Industries Ltd	11.4	N.Ap	19	N.Ap.	81
Bajaj Electricals Ltd	N.Ap	22.3	N.Ap.	47	53
Crompton Greaves Consumer Electricals Ltd	N.Ap	41.1	N.Ap.	100	-
Finolex Cables Ltd	27.8	0.6	96	2	2
Gupta Power Infrastructure Ltd*	31.1	N.Ap	100	N.Ap.	-
Havells India Ltd	26.8	41.7	32	50	18
KEC International	8.5	N.Ap	8	N.Ap.	92
KEI Industries Ltd	24.3	N.Ap	69	N.Ap.	31
Orient Electric Ltd	N.Ap	16.3	N.Ap.	100	-
Philips Lighting India Ltd* \$	N.Ap	32.1	N.Ap.	96	4
Polycab India Limited	62.4	4.9	89	7	4
R R Kabel Ltd*	15.8	N.Ap	100	N.Ap	-
Schneider Electric India Pvt. Ltd* %	N.Ap	N.A	N.Ap	N.A	
Surya Roshni Ltd^^	N.Ap	14.0	N.Ap.	28	72
TTK Prestige Ltd	N.Ap.	19.8	N.Ap.	100	-
Usha International Ltd*	N.Ap	19.1#	N.Ap.	83	17

Players	Revenue from Cables and Wires (Rs Bn)	Revenue from ECD^ (Rs Bn)	Revenue from Cables and Wires (%)	Revenue from ECD^ (%)	Revenue share from other segments (%)
V-Guard Industries Ltd	6.8	5.7	29	25	51

Source: Company Annual Reports, CRISIL Research

Note:

Segmental revenues stated above are taken directly for relevant segments, exclusive of inter-segmental revenue, as published by respective companies in their annual reports or audited year ended quarterly financials wherever required (see note for Surya Roshni Ltd<sup>^^</sup>).

^: ECD- electrical consumer durables category,

\*: Financials are for fiscal 2017, latest available with MCA.

\$. Philips Lighting India Ltd. engages in a single segment. which is lightings and allied products and lighting system solutions, revenue here is sales of product inclusive of excise duty for fiscal 2017

%. Financials for Schneider Electric India Pvt. Ltd. was available from FY2015 to FY2017.

#: includes revenues from sewing machines

^^: Financials for fiscal 2018 are as per audited financials for quarter and year ended 31st March 2018

N.Ap: Not applicable

N.A.: Not Available; For Schneider Electric India Pvt. Ltd. Revenues from electric consumer durables, in this case switches and residential switchgears, is not available separately

Key observations:

- In the cables and wires segment, Polycab India Limited is the largest player with segment revenues to the tune of Rs 62.4 billion as of fiscal 2018 among peers like Apar Industries Ltd, Finolex Cables Ltd, Havells India, KEC International, KEI Industries Ltd, R R Kabel Ltd and V-Guard Industries Ltd. As of fiscal 2018 Polycab India Limited enjoys ~18% market share of the organised cables and wires industry, estimated at Rs 346 billion, and ~12% market share of the total cables and wires industry, estimated at Rs 525 billion based on manufacturers realisations.
- In the electrical consumer durables category, Havells India Ltd is the largest player among the peers listed above, with segmental revenues of Rs 41.7 billion as of fiscal 2018. At a segment level, electrical consumer durables revenues of players like Polycab India Limited and Finolex Cables Ltd have grown at CAGR of 58% and 24% respectively, albeit from a low base, during the fiscals 2016 to 2018. Electrical consumer durables category broadly includes National Industrial Classification (“NIC”) codes such as 2740 and 2750 as per NIC 2008 update. CRISIL Research has classified electrical consumer durables into fans, lightings and luminaries (domestic and commercial), water heaters, switches and switchgears, kitchen appliances such as mixer grinders, food processors, cooking tops, coffee makers, and juicers, and home appliances such as iron, air cooler, room heaters and stabilizer.
- Among the players listed above, the operating revenues of KEI Industries Ltd and Polycab India Limited have grown at a faster clip at CAGR 20.8% and 14.2% respectively, during fiscals 2014 to 2018. At a segment level, cables and wires revenues of players like Apar Industries Ltd, KEI Industries Ltd and Polycab India Limited have grown at CAGR of 19.4%, 11.7% and 11.9% respectively during the corresponding period. (Note: Gupta Power Infrastructure Ltd has not been considered in this set as financials for fiscal 2018 are not available)
- Among the players listed above, the operating profits before depreciation, interest and taxes (“OPBDIT”) for Bajaj Electricals Ltd and Polycab India Limited have grown at a faster clip at CAGR 43.4% and 25.5% respectively, during fiscals 2014 to 2018. Operating margins (OPBDIT/ operating revenue) for Bajaj Electricals Ltd have increased from 2.0% in fiscal 2014 to 7.3% in fiscal 2018, similarly operating margins for Polycab India Limited have increased from 7.5% in fiscal 2014 to 10.9% in fiscal 2018.
- Among the players listed above, Orient Electric Ltd, Finolex Cables Ltd. and Polycab India Limited enjoy an extensive distribution network of 4,000+, 3,500+ and 3,372 distributors and dealers as of fiscal 2018. With regards to retail touch-points, Surya Roshni Ltd leads the peer set listed above with 2,00,000 retailers, followed by Bajaj Electricals Ltd with ~160,000 retail outlets and Crompton Greaves Consumer Electricals Ltd at 150,000+ retail outlets as of fiscal 2018.
- In absolute terms, Havells India Ltd incurred Rs 3.5 billion as expenses towards advertising and sales promotion, which comprises ~4.2% of its operating revenues as of fiscal 2018. In terms of share of operating revenue, TTK Prestige Ltd’s spend towards advertising and sales promotion was 7.5% as of fiscal 2018. Players like Polycab India Limited have increased their spending on advertising and sales promotion at 54.7% CAGR from 0.4% of operating revenues in fiscal 2014 to 1.4% operating revenue in fiscal 2018.

Snapshot of market share trends

Players	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Industry (in ₹ Billion)	346	413	415	467	525
Organised Industry (in ₹ Billion)	211	256	262	299	346
Share of Polycab Wire Limited	12%	11%	13%	12%	12%

Players	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
in total cables and wires industry (%)					
Share of Polycab Wire Limited in organised cables and wires industry (%)	19%	17%	18%	17%	18%

Source- Company annual reports, CRISIL Research

Note - In order to calculate the market share, CRISIL Research has considered the consolidated cables & wires segment revenues, excluding the inter-segment revenues, as published by the company under primary segment reporting. The segment revenues reported are inclusive of excise duties and exclusive of GST taxes.

Among the players listed above, Polycab Wire Limited has had the highest market share in cables and wires industry, consistently over the last five fiscal years. Polycab's market share, as percentage of total cables and wires industry based on manufacturers' realisations, is estimated at 12% as of fiscal 2018. With respect to the organised cables and wires industry, Polycab's market share is estimated at approximately 18% as of fiscal 2018.

Cables and wires offerings of Players:

Players	Power & Power Control Cables (LT/HT)	Power Cable (EHV)	Control and Instrumentation Cables	House Wires	Flexible and Industrial Cables incl. specialty cables
Apar Industries Ltd	✓		✓	✓	✓
Finolex Cables Ltd	✓	✓	✓*	✓	✓
Gupta Power Infrastructure Ltd	✓	✓	✓	✓	✓
Havells India Ltd	✓		✓	✓	✓
KEC International Ltd.	✓	✓	✓	✓	✓
KEI Industries Ltd	✓	✓	✓	✓	✓
Polycab India Limited	✓	✓	✓	✓	✓
R R Kabel Ltd	✓		✓	✓	✓
V-Guard Industries Ltd	✓			✓	✓

Note: Bajaj Electricals Ltd, Crompton Greaves Consumer Electricals Ltd, Orient Electric Ltd and Usha International Ltd do not have cables and wires in their product portfolio.

\*: Finolex Cables is present in control cables and not instrumentation cables

Source: Company Website and Annual Reports, CRISIL Research

Consumer Electric Durables Product offerings of Players:

Players	Fans	Lightings	Switches	Switchgears	Water Heater	Home App.	Kitchen App.
Bajaj Electricals Ltd	✓	✓			✓	✓	✓
Crompton Greaves Consumer Electricals Ltd	✓	✓			✓	✓	✓
Finolex Cables Ltd	✓	✓	✓	✓	✓		
Havells India Ltd	✓	✓	✓	✓	✓	✓	✓
Orient Electric Ltd	✓	✓		✓	✓	✓	✓
Philips India#		✓#				✓#	✓#
Polycab India Limited	✓	✓	✓	✓	✓		
Schneider Electric India Pvt. Ltd	✓&	✓	✓	✓			
Surya Roshni Ltd	✓	✓			✓	✓	✓
TTK Prestige Ltd						✓	✓
Usha International Ltd	✓				✓	✓	✓
V-Guard Industries Ltd	✓			✓	✓	✓	✓

Apar Industries Ltd, Gupta Power Infrastructure Ltd, KEC International Ltd., and KEI Industries Ltd do not have electrical consumer durables in their product portfolio. Note: App. – Appliances

#: Philips India Ltd. retails consumer durable products under the brand Philips, Philips Lighting India Ltd retails lighting products under the brand Philips. Philips India Ltd demerged its lighting segment into Philips Lighting India Ltd in fiscal 2016

&: The global parent company of Schneider Electric India Pvt. Ltd, Schneider Electric has fans portfolio through its subsidiary Luminous Power Technology Pvt. Ltd.

Source: Company Website and Annual Reports, CRISIL Research

Within the peer set listed above, players like Gupta Power Infrastructure Ltd, KEC International Ltd, KEI Industries Ltd and Polycab India Limited have an extensive product base spread across power cables (LT, HT and EHV), control and

instrumentation cables, house wires, flexible and industrial cables and specialty cables. Additionally, within the peer set listed above, players like Apar Industries Ltd, KEC International Ltd, KEI Industries Ltd and Polycab India Limited have also diversified into the EPC segment.

*Cables and wires manufacturing capacities of Players:*

<b>Players</b>	<b>Manufacturing installed capacity of cables and wires</b>
Apar Industries Ltd	24,000 MT Aluminium and 6,000 MT Copper of cables & wires
Finolex Cables Ltd	Copper Rod: 60,000 T*
Havells India Ltd	11,50,000 kms (domestic and industrial cables)- AR14-15
KEC International	Power cables (~40,000 Km per annum) Control & instrumentation cables (3,600 km per annum) copper cables and optic fiber cables (6 lakh fiber km per annum)
KEI Industries Ltd^	900 km of EHV cables (up to 400 kV) 7,500 km of HT cables 93,600 km of LT cables 3,600 km of rubber cables 6,77,000 km of winding, flexible and house wires 6,000 MT of stainless steel wire
Polycab India Limited	32,94,463 kms of cables and wires
V-Guard Industries Ltd	30,000 km of multicore round & flat cables per annum.

Source – Company reports, CRISIL Research

\*: Copper rod contributed to 24.1% of operating revenue (including inter-segmental revenues) and 2% of total external operating revenue as of fiscal 2018.

## OUR BUSINESS

*The following description of our business should be read together with our restated consolidated financial information as at and for the fiscal years ended March 31, 2018, 2017, 2016, 2015 and 2014 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus.*

*References herein to “we”, “our” and “us” are to Polycab India Limited together with its subsidiaries and, as the context requires, joint ventures. The discussion below may contain forward-looking statements and reflects our current views with respect to future events and financial performance, which are subject to numerous risks and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read “Risk Factors” and “Forward Looking Statements” beginning on pages 20 and 18, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year, “Fiscal” or “FY”, are to the 12 months ended March 31 of that year.*

*Industry and market data used in this section have been extracted from the “Assessment of electrical products industry in India – October 2018” prepared by CRISIL Research, which was commissioned by us. For further details and risks in relation to commissioned reports, see “Risk Factors – We have commissioned an industry report from CRISIL, which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us” beginning on page 41 and “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” beginning on page 16.*

### OVERVIEW

We are engaged in the business of manufacturing and selling wires and cables and fast moving electrical goods (“**FMEG**”) under the “**POLYCAB**” brand. According to CRISIL Research, we are the largest manufacturer in the wires and cables industry in India, in terms of revenue from the wires and cables segment and provide one of the most extensive range of wires and cables in India. For Fiscal 2018, we have a market share of approximately 18% of the organized wires and cables industry and approximately 12% of the total wires and cables industry in India, estimated at ₹525 billion based on manufacturers realization (*Source: CRISIL Research*). Apart from wires and cables, we manufacture and sell FMEG such as electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories. According to CRISIL Research, the wires and cables industry in India, in value terms, has grown at a compound annual growth rate (“**CAGR**”) of approximately 11% in the last five years to reach ₹525 billion in Fiscal 2018. CRISIL Research expects the wires and cables industry in India to expand at a CAGR of approximately 15% in value terms to reach approximately ₹1,033 billion by Fiscal 2023.

Each of our promoters has more than four decades of experience. Our Company was incorporated as ‘Polycab Wires Private Limited’ on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. For further details, see “*History and Certain Corporate Matters*” beginning on page 212.

We manufacture and sell a diverse range of wires and cables and our key products in the wires and cables segment are power cables, control cables, instrumentation cables, solar cables, building wires, flexible cables, flexible/single multi core cables, communication cables and others including welding cables, submersible flat and round cables, rubber cables, overhead conductors, railway signaling cables, specialty cables and green wires. In 2009, we diversified into the engineering, procurement and construction (“**EPC**”) business, which includes the design, engineering, supply, execution and commissioning of power distribution and rural electrification projects. In 2014, we diversified into the FMEG segment and our key FMEG are electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories.

We have 24 manufacturing facilities, including our two joint ventures with Techno Electromech Pvt Ltd. (“**Techno**”) and Trafigura Pte Ltd (“**Trafigura**”), located across the states of Gujarat, Maharashtra and Uttarakhand and the union territory of Daman and Diu. Three of these 24 manufacturing facilities are for the production of FMEG, including a 50:50 joint venture with Techno, a Gujarat-based manufacturer of LED products. In 2016, we entered into a 50:50 joint venture with Trafigura, a commodity trading company, to set up a manufacturing facility in Waghodia, India to produce copper wire rods (the “**Ryker Plant**”). We expect the Ryker Plant to commence commercial operations by the end of Fiscal 2019, with an estimated annual capacity of 258,620 MT of copper wire rods once it is fully operational. The Ryker Plant will strengthen the backward integration of our manufacturing process as we expect that it will meet a substantial part of our demand for copper wire rods for the manufacturing of our wires and cables and FMEG. We strive to deliver customized and innovative products with speed and quality service. Examples of made-to-order products we have manufactured for our customers include low voltage cables with low smoke zero halogen properties and high tension (“**HT**”) cables with anti-rodent and anti-termite properties. Our production process is designed to ensure quality while delivering the ability to produce complex electrical products on short timeframes to meet our customers’ needs. Most of our manufacturing facilities are accredited with quality management system certificates for compliance with ISO 9001, ISO 14001 and OHSAS 18001 requirements. Our central quality and test laboratory in Halol is accredited by NABL and our central test laboratory, also located in Halol, for all flexible wires and cables is approved by Underwriters Laboratories (“**UL**”). Certain of our products are also certified to be compliant with various national and

international quality standards including Bureau of Indian Standards (“**BIS**”), British Approvals Service for Cables (“**BASEC**”), UL and international electrotechnical commission (“**IEC**”).

Our research and development (“**R&D**”) capabilities, emphasis on upgrading the technology used in our production process, customer-centric R&D efforts and our R&D center located in Halol, assist our sales and marketing team in understanding our customers’ requirements. We believe that our R&D efforts have helped us to resolve the technical problems that our customers faced. Through our R&D efforts, we have developed products such as flame retardant elastomeric compounds, flame retardant chlorosulphonated polyethylene rubber compounds and cathodic protection cables using fluoropolymers and other innovative products such as environmentally friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sector. See “ – *Research and Development*” on page 204 for details. In addition, we have adopted automation systems in our manufacturing process such as the manufacturing execution system (“**MES**”), which is an automated sensor base system for recording the actual consumption of raw materials in production, as well as enterprise resource planning (“**ERP**”) systems. We have also adopted the Maynard Operation Sequence Technique (“**MOST**”) to drive productivity and optimize capacity utilization.

We have an established supply chain comprising our network of authorized dealers, distributors and retailers. This network supplies our products across India. Our distribution network in India comprise over 3,300 authorized dealers and distributors and 29 warehouses as at March 31, 2018. We supply our products directly to our authorized dealers and distributors who in turn supply our products to over 100,000 retail outlets in India. We manage our sales and marketing activities through our corporate office, three regional offices and 20 local offices in various parts of India as at June 30, 2018. In addition, in Fiscal 2018, we exported our products to over 40 countries. Our revenue from outside India contributed 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscal 2018.

We are an established manufacturer of cables and wires in India and we will continue to strengthen our brand in both our wires and cables business and our FMEG business. Our advertising and sales promotion expenses has increased from ₹579.41 million in Fiscal 2016 to ₹936.94 million in Fiscal 2018. We have been awarded the gold trophy for five consecutive years from 2013 to 2017 at the Annual Convention on Quality Concepts organized by the Quality Circle Forum of India. We work closely with major power utilities, oil and gas, IT parks, metro rail, infrastructure, metal and non-metal, cement and EPC companies that operate in India and abroad. Our customers include institutional clients such as L&T Construction and government clients such as Konkan Railway Corporation Ltd. For details, see “*Our Business – Sales and Marketing*” on page 202.

From Fiscals 2016 to 2018, our total income less excise duty grew at a CAGR of 14.31%. During the same period, Fiscals 2016 to 2018, our EBITDA and profit for the year grew at a CAGR of 23.80% and 41.69%, respectively. For Fiscals 2016, 2017 and 2018, our total income less excise duty was ₹52,355.42 million, ₹55,753.30 million and ₹68,413.04 million, respectively, our EBITDA margin was 10.01%, 9.95% and 11.74% respectively, our PAT margin was 3.53%, 4.17% and 5.42% respectively, our ROE was 10.34%, 11.66% and 15.76% respectively, our RoCE was 15.99%, 14.97% and 21.25%, respectively, and our debt to equity ratio was 0.45, 0.43 and 0.34, respectively.

## **OUR STRENGTHS**

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

### **Market leader in wires and cables in India**

We are the largest wires and cables manufacturer in India, in terms of segment revenues, with a market share of approximately 18% of the organized wires and cables industry and approximately 12% of the total wires and cables industry in Fiscal 2018. (*Source: CRISIL Research*) Having grown at a CAGR of 14.2% from Fiscals 2014 to 2018 in terms of operating revenues, we were the one of the faster growing manufacturers in the organized wires and cables industry during the period from Fiscals 2014 to 2018 (*Source: CRISIL Research*).

We have one of the most extensive portfolio of wires and cables to cater to the needs of our institutional and retail customers in different industries (*Source: CRISIL Research*). We are a trusted supplier of wires and cables for a diverse base of customers as we have, among others, robust manufacturing facilities and strong R&D capabilities, enabling us to produce quality and reliable products, provide quality after sales services and maintain a reputable brand name and successful track record in the industries of our customers. Our products are either (i) made-to-stock, produced based on demand forecasts from customers and/or company sales team, or (ii) made-to-order, where we work closely with our customers to develop customized products that are in line with their needs. Our established customers include institutional clients such as L&T Construction and Konkan Railway Corporation Ltd. and other global leading brand companies. For details, see “*Our Business – Sales and Marketing*” beginning on page 202.

The Indian wires and cables industry has grown at a CAGR of approximately 23% from Fiscals 2014 to 2018, in terms of production volume (*Source: CRISIL Research*). In value terms, CRISIL Research expects the Indian wires and cables market to grow at a CAGR of approximately 15% to reach an estimated ₹1,033 billion by Fiscal 2023, largely due to government initiatives in power and infrastructure, an increase in industrial investment, a rise in consumer spending and an increase in



exports of wires and cables from India. We intend to capture such growth by leveraging on our brand, product quality and strong distribution network. For a description of industry trends in the wires and cables market, see “*Industry Overview*” beginning on page 132.

### **Diverse suite of electrical products with varied applications across a diverse customer base**

We manufacture and sell a diverse portfolio of wires and cables and FMEG, which also gives us the opportunity to cross-sell our products to our diverse base of customers. Since our incorporation as a business-to-business (“**B2B**”) manufacturer of wires and cables, we have diversified into the FMEG business and transformed our company from a pure B2B company into a B2B and business-to-customer (“**B2C**”) company. According to CRISIL Research, we have one of the most diversified product portfolio as compared to our competitors. Our FMEG external sales, as per our segment reporting under Ind AS 108, increased at a CAGR of 57.95% from Fiscals 2016 to 2018.

We have three business lines namely, (i) wires and cables, (ii) FMEG comprising electric fans, LED lighting and luminaire, switches and switchgears, solar products and conduits and accessories, and (iii) EPC. Key wires and cables products include light duty cables (“**LDCs**”), low voltage, medium voltage, extra-high voltage, instrumentation, building wires and electrical wiring accessories (“**EWA**”). See “*Our Business – Our Products*” on page 189 for details on the products we sell and, as the case may be, manufacture.

Copper, aluminium, PVC Compounds and steel are essential raw materials in the manufacture of our wires and cables and FMEG. We enjoy economies of scale as we are able to negotiate for better prices when we purchase raw materials in large quantities, thus enabling us to better manage the total cost of our raw materials. In addition, we enjoy the cost-savings in terms of transportation and distribution since each van can carry multiple products, spreading the overhead costs over a greater number of products.

We seek to continually improve our in-house R&D capabilities to capitalize on industry trends including in particular, the move towards home automation and environmentally friendly products that consume less power. Our R&D efforts are critical to providing innovative product to our customers to meet their changing needs and to differentiate our products from our competitors. Our central quality and test laboratory in our R&D center is NABL accredited. Through our R&D efforts, we have developed several innovative products. For example, we have developed environmentally friendly power cables, that consume less power, to meet the growing demand for green products. We are also developing specialized, innovative and quality cables such as automotive cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sectors.

We have a diverse customer base comprising governmental authorities, retailers, distributors, dealers and industrial and institutional customers in a range of industries including power, oil and gas, construction, IT parks, infrastructure, metal and non-metal, cement, agriculture and real estate industries. Although India remains our largest market, in Fiscal 2018 our products were exported to more than 40 countries in the world, with our sales to customers located outside India contributing to 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscal 2018. Our diverse customer base across industries and customer profiles reduce our dependence on any one industry or customer and provides a natural hedge against market instability in a particular industry.

### **Strong distribution network**

Our distribution network across India also enables us to roll out new products more quickly, which gives us a competitive advantage over our competitors. As at March 31, 2018, our distribution network across India comprised 3,300 authorized dealers and distributors. We supply our products directly to our authorized dealers and distributors who in turn sell our products to over 100,000 retail outlets in India. Further, we supply our portfolio of products to our direct customers including EPC companies and government companies through direct sales. We manage our sales and marketing activities through one corporate office, three regional offices and 20 local offices in India as at June 30, 2018. In Fiscal 2018 we also exported our products, including wires and cables and certain FMEG products such as electric fans, to more than 40 countries.

The table below sets forth the number of dealers and distributors for the periods indicated:

<b>Fiscal 2018<sup>(1)</sup></b>	<b>Fiscal 2017<sup>(1)</sup></b>	<b>Fiscal 2016<sup>(1)</sup></b>
3,372	3,678	3,825

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years.

The number of dealers and distributors has decreased from Fiscal 2016 to Fiscal 2018 as we discontinued relationships with some of the smaller direct dealers and increased our focus on larger distributors, who also started catering to some of these smaller direct dealers.

The table below sets forth the number of dealers and distributors by geography for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
East	684	787	782
North	912	875	921
South	1,057	1,145	1,187
West	719	871	935
<b>Total<sup>(1)</sup></b>	<b>3,372</b>	<b>3,678</b>	<b>3,825</b>

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years.

The table below sets forth the number of dealers and distributors by product for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
Wires and cables	1,304	1,436	1,718
FMEG	1,547	1,603	1,381
Common for wires and cables and FMEG	521	639	726
<b>Total<sup>(1)</sup></b>	<b>3,372</b>	<b>3,678</b>	<b>3,825</b>

<sup>(1)</sup> Reflects the number of dealers and distributors we have billed in the respective Fiscal years.

The table below sets forth the number of dealers and distributors by product range for the periods indicated:

	Fiscal 2018 <sup>(1)</sup>	Fiscal 2017 <sup>(1)</sup>	Fiscal 2016 <sup>(1)</sup>
Pump, pipe and fitting	6	-	-
Electrical wiring accessories	431	569	551
Fan	1,027	1,170	1,250
High density cable	428	687	948
Low density cable	1,096	1,236	1,377
Lighting	734	823	757
Luminaires	320	408	362
Pipe and conduits	193	198	148
Switchgear	366	266	19
Solar products	21	30	-
Wires	1,461	1,597	1,644

<sup>(1)</sup> There are overlaps in the dealers and distributors indicated as one dealer/distributor may have dealings with us in multiple products.

We have strong, long-standing relationships with many of our authorized distributors and dealers. We believe that our strong relationships with our authorized distributors and dealers provides us with a competitive edge over our competitors. Further, many of our authorized distributors are dependent on our products in their sales turnover.

We have 29 warehouses located across 20 states and union territories in India. Our warehouses are typically located in close proximity to our authorized distributors, authorized dealers and direct customers to ensure timely supplies and faster deliveries and to avoid any unnecessary capital expenditure we may incur from setting up production facilities with sub-optimal capacities. The close proximity of our warehouses to our customers also enables us to mitigate the additional costs of transportation. Further, we have implemented in two of our warehouses in Halol an automatic storage and retrieval system (“ASRS”), which are computer-controlled warehouse management systems designed to automate the placing and retrieving of loads, thereby making order fulfilment and delivery more efficient and reducing our costs of operation. We also plan to implement the ASRS in our other warehouses.

To strengthen our distribution network, we have undertaken several internal and external facing initiatives. Key initiatives include (i) our customer relationship management (“CRM”) programme, Bandhan, and (ii) Project Josh, which seek to increase our market share in the FMEG segment in a targeted and organized manner. Bandhan, which was launched in April 2017, helps us better understand our end customers through the data collected from retailers and electricians. It allows us to allocate our resources more effectively and undertake targeted marketing. Through Bandhan, we are also able to more effectively develop and launch products. We introduced Project Josh in 2015, a strategic initiative which aims to increase our market share in the FMEG segment in a targeted and organized manner. Project Josh required us to make five key shifts in the way we manufacture and sell our products, that is to (i) place additional focus on pull marketing, (ii) be more customer oriented in terms of our products, (iii) anticipate changes and lead the industry, (iv) empower leadership among staff, and (v) undertake an approach of building lifetime relationships with our customers. Since the implementation of Project Josh in 2015, we have increased our number of retailers and distributors to, as at June 30, 2018, approximately 33,000 and 500, respectively, in the approximately 105 locations where Project Josh was implemented. We intend to continue to enhance our existing initiatives and roll out new initiatives to better understand our customers, allocate resources more efficiently and undertake more targeted sales and marketing.

## **Manufacturing facilities with high degree of backward integration**

Our competitive edge lies in product innovation, quality and availability. We manufacture our products within our manufacturing facilities, which were set up to address the specific needs of innovation, quality and availability. We have developed systems throughout our production process to ensure the quality and reliability of our products. Our manufacturing facilities are accredited with quality management system certificates for compliance with ISO 9001, ISO 14001, OHSAS 18001 requirements. Our central quality and test laboratory, located at Halol, is accredited by NABL and our central test laboratory, also located at Halol, for all flexible cables and wires is approved by UL. Certain of our products are also certified to be compliant with various national and international quality standards including BIS, BASEC, UL, IEC and various specific approvals from other countries. We make use of technology and automation systems such as IoT, MES, ERP and MOST to enhance our workflows and manufacture quality and reliable products. Our production capabilities, including the amount of capital and technology investment, operational expertise and industry knowledge accumulated to deliver our products which are further enhanced by the assistance from our research and development facilities, constitute a high barrier to entry that is difficult for other companies to emulate.

According to CRISIL Research, we are the largest player in the wires and cables segment in India in terms of segment revenue. As at June 30, 2018, we have 24 manufacturing facilities, three of these 24 manufacturing facilities are for the production of FMEG, including a joint venture with Techno to manufacture LED products. In addition, we have seven Catenary Continuous Vulcanization lines within our manufacturing facilities for producing different types of wires and cables to meet customers' demands and needs. With our large-scale operations, manufacturing experience and proprietary know how, we are generally able to bid for large projects and execute them well and on time. Our B2B customers typically implement stringent approval processes in the selection of their suppliers and our ability to be a key supplier and to establish relationships with many of our customers demonstrates our production capability and quality.

We also have a strong focus on backward integration in our manufacturing process, where we seek to produce a substantial portion of our raw materials and source the remaining from third-party suppliers. In 2016, we entered into a 50:50 joint venture with Trafigura to set up the Ryker Plant that will, once fully operational, fulfil a substantial part of our demand for copper wire rods. Apart from the Ryker Plant, we also produce in our existing manufacturing facilities other key raw materials that we then use in the manufacturing of our wires and cables and FMEGs. These key raw materials include aluminium rods (for aluminium conductor), higher size of copper rods (for required size of copper conductors for manufacturing cables and wires), various grades of PVC, Rubber, XLPE compounds, GI wire and strip (for armouring). Producing our own raw materials reduces our reliance and risks of procuring raw materials from domestic and international markets by ensuring a consistent and reliable supply of quality raw materials. Such backward integration also helps us to maintain control of the supply chain, lower our costs of operations and sell our products at competitive prices.

We own and operate two manufacturing facilities located in the states of Maharashtra and Uttarakhand for the production of switchgears and ceiling fans, respectively. The two facilities have a total production capacity of 8,400,000 (in numbers) as at June 30, 2018. In 2017, we entered into a 50:50 joint venture with Techno, a Gujarat-based manufacturer of LED products. Through our joint venture with Techno, we are able to secure a reliable supply of LED lighting and luminaire products and be better placed to take advantage of the growth opportunities we see in the LED industry. For all our other FMEG products, we enter into arrangements with third-party manufacturers who manufacture our products based on our requirements. These products include fans, lighting and luminaire products, switchgears and switches and pumps, which we conduct regular inspection to ensure their quality and that they meet our requirements. For details, see “– *Our Products – FMEG*” on page 194.

In addition, our ability to rapidly implement design or manufacturing process improvements grants us the flexibility to optimize the use of our production lines. We can adjust production lines quickly, coordinate production across our production facilities or alter production schedules in response to changes in demand. Further, our production competence encompasses in-house design capabilities hemmed by a dedicated design team, which contribute to our efficiency and stringent quality control. Our production capabilities also enable effective control over quality, production costs, product development and supply chain management, further empowering us to service customer requests in an efficient manner, while better managing our production and administrative costs.

## **Strong brand in the electrical industry**

We are an established manufacturer of wires and cables and other electrical products, and we sell our products under our “POLYCAB” brand. According to CRISIL Research, we are the largest player in the wires and cables industry in India in terms of segment revenue. As of Fiscal 2018, we have approximately 18% market share of the organized wires and cables industry, estimated at ₹346 billion, and approximately 12% market share of the total wires and cables industry, estimated at ₹525 billion. In the FMEG segment, our external sales, as per our segment reporting under Ind AS 108, have grown at a CAGR of 57.95% from Fiscals 2016 to 2018. We believe that our focus on providing quality and reliable products and on continuous development of innovative products through our R&D efforts, together with our strong distribution network and sales and marketing efforts have enabled us to develop a strong brand recognition in the electrical industry. Our strong brand also provides us the opportunity to cross-sell our FMEG to our wires and cables customers.

We are focused on increasing brand awareness and seek to do so via a multi-pronged approach. We have and intend to continue to advertise through social media, conventional media such as television, print and the internet as well as in-store promotions such as sales promotion, retail pop-ups and visual merchandising. We also actively engage our distributors and dealers to ensure that we maintain good relationships and that they are incentivized to promote and sell our products. We do this through regular one on one interactions with them and our mobile application, Bandhan Star, which awards loyalty points to our channel partners for every product they purchase from us. From Fiscals 2016 to 2018, our advertising and sales promotion expenses increased from ₹579.41 million to ₹936.94 million.

We work closely with major power utilities, oil and gas, IT parks, metro rail, infrastructure, metal and non-metal, cement and EPC companies that operate in India and abroad. We have a dedicated sales and marketing team looking after and actively engaging our institutional customers. Our customers include institutional clients such as L&T Construction and government clients such as L&T Construction and Konkan Railway Corporation Ltd. For details, see “*Our Business – Sales and Marketing*” on page 202.

### **Experienced and committed management team**

Our success has been, and will continue to be, dependent on our management team. Our management team has collectively many years of entrepreneurial and managerial experience in the electrical products industry. Our management team also possesses an extensive network of customer relationships and a deep understanding of our operations, pricing strategies, business development and industry trends.

Our experienced management team is led by Inder T. Jaisinghani, our Chairman and Managing Director, who has approximately 40 years of experience in the cable and wire industry. Other members of the senior management team such as Ramakrishnan Ramamurthi, Shyam Lal Bajaj, Shashi Amin and Manoj Verma, also have extensive industry experiences in their respective fields. Under the leadership of our experienced senior management team, we are well positioned to execute our strategies in the ever-changing electrical industry.

### **OUR STRATEGIES**

We intend to continue to grow our business through implementing the following strategies:

#### **Enhance and strengthen our leadership position in wires and cables**

The Indian wires and cables market has grown at a CAGR of approximately 23% from Fiscals 2014 to 2018, in terms of production volume (*Source: CRISIL Research*). Accordingly, CRISIL Research expects the domestic cables and wires industry to expand at a CAGR of approximately 12% and reach an estimated 26.2 million kms by Fiscal 2023. In value terms, CRISIL Research expects the Indian wires and cables market to grow at a CAGR of approximately 15% to reach an estimated ₹1,033 billion by Fiscal 2023, due largely to government initiatives in power and infrastructure such as increased infrastructure expenditure by the Government which will boost demand for wires and cables, growth in fire survival cables supported by metro, airport and commercial real estate projects and Smart Cities Missions’ investment in underground cables, an increase in industrial investment, a rise in consumer spending and an increase in exports of wires and cables from India. We intend to enhance, maintain and strengthen our leadership position in the wires and cables market in India by growing our share of business with existing customers, winning new customer contracts, geographical expansion and development of innovative and customized products.

We intend to expand our market share by targeting key growth sectors such as mining, oil and gas, shipping, power, renewables, infrastructure, construction, automotive, telecommunication and agriculture. We seek to expand our customer base and utilize our research and development capabilities to develop new and innovative products for these sectors. For example, we have developed an environment-friendly wire, green wire, to meet the growing demand for green products. Other specialized cables such as automotive cables, rubber (elastomeric) cables and electron-beam irradiated cables, which are in advanced stages of development, will serve the needs of the automobile, ship-building, mining and rolling stock sectors. Affordable housing scheme, growing nuclearization of families and investments in commercial and residential infrastructure are driving factors for a growing demand for building wires such as halogen free fire-retardant cables.

We will continue our efforts to increase revenue from our existing customers by expanding our suite of products and developing new quality products aligned with their needs. In 2016, we entered into a 50:50 joint venture with Trafigura to set up the Ryker Plant, a manufacturing facility in Waghodia, India for the production, trading and sale of copper wire rods. We expect the Ryker Plant to commence operations in Fiscal 2019 and once fully operational, the plant will have an annual capacity of 258,620 MT of copper wire rods. We will continue to explore opportunities to invest in additional facilities and enhance our production capabilities, including designing, customizing and integrating automation technologies into our production processes. Integration of such automation technologies should provide us with additional production flexibility, enhance our production capabilities and maintain our cost competitiveness. Such capability should provide us with a leading edge over other companies that do not possess such abilities.

Our extensive experience, proven track record, strong brand and reputation and ability to provide a range of electrical products will also position us strongly for expansion of our international presence. We intend to continue to focus on our existing international markets such as the United Kingdom, United States, European Union, United Arab Emirates and Australia. In May 2018, we entered into a non-binding arrangement with an oil and gas company in Africa for what would be, if converted into a definitive sales contract, our largest order for wires and cables at approximately USD143 million, demonstrating our increasing success in the international markets. We are currently negotiating a definitive sales contract with this oil and gas company, though there is no guarantee that we will successfully enter into such contract. To expand into international markets, we intend to set up manufacturing facilities locally, leverage our established business relationships and engage experienced local representatives and international trading agencies to expand our overseas sales channels. We also intend to improve our brand recognition in overseas markets by participating in international trade exhibitions. Further, we will continue to apply for and obtain approvals and accreditations to enter into new international markets.

We seek to improve our working capital management, namely to reduce our Debtor Days, rationalise our inventory levels, and reduce finance costs on our trade payables. To reduce our Debtor Days, we have increased our use of channel financing, whereby our customers enter into arrangements with banks through which we receive payment directly from the banks, who in turn take on credit risk and seek to collect outstanding dues from the customers. Channel financing reduces our risk of non-payment, and significantly increases the speed at which we receive payment, as we receive payment directly from banks. With regard to our inventory, our goal is to have sufficient inventory on hand at all times so that we are able to quickly meet the demands of our customers. To this end, we strategically manage our inventories, purchasing raw materials based on our estimated future production requirements, taking into account our views on potential supply shortages, and maintaining finished goods based on our estimates of future customer demand. In recent years, we have increasingly focused on rationalising our inventory management to meet our future requirements against while not carrying undue levels of working capital. In terms of our Payable Days, we have focused on repaying interest-bearing payables as soon as possible, to reduce our finance costs. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working capital requirements and access to capital resources*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working Capital Cycle*” on page 521.

#### **Continue to expand our FMEG business**

Our FMEG business has potential for future growth. CRISIL Research expects (i) the switches industry in India to grow at a CAGR of approximately 9% to ₹62 billion by Fiscal 2023, driven by modular switches that have higher realizations, (ii) the lighting and luminaire industry in India to grow at a CAGR of approximately 7% to reach an estimated market size of ₹301 billion by Fiscal 2023 largely due to a decline in LED chip prices, government policies to encourage LEDs and increasing consumer awareness for energy efficient technologies such as LED lighting, and (iii) the electric fans industry in India to grow at a CAGR of approximately 7% to ₹111 billion by Fiscal 2023 largely due to government initiatives, the introduction of value added products by major fan manufacturers, replacement demand in urban areas, rise in rural penetration and improving economic factors. For details, see “*Industry Overview*” at page 132.

We seek to grow and strengthen our market position in the FMEG market in India and abroad by leveraging on our brand, distribution network, diverse customer base and manufacturing capabilities. We aim to grow our market share in our existing FMEG product segments with a focus on expanding our distribution reach, increasing rural penetration and greater retail expansion. We are also undertaking detailed market mapping to identify and appoint new channels for geographical expansion. We will continue to enhance our internal and external facing initiatives such as Project Josh and Bandhan to strengthen customer loyalty and increase our market share in the customer electrical segment. See “*– Expand distribution reach*” on page 188 for details on Project Josh.

We also intend to focus on manufacturing value-added FMEG that enjoy higher profit margins such as premium fans, a wider range of table, pedestal and wall fans, smart fans and lighting products in the professional luminaire segment and penetrate segments of the FMEG market that are fast growing such as growing preference for energy-effect LED sources and growing exports of ceiling fans, ensuring our presence in each rung of the value chain. Since the manufacture of value-added FMEG use the same back-end manufacturing processes and equipment as our current portfolio of products, we believe we are well positioned to capture the demand for such value-added products.

Further, to cater to the changing needs of our customers, we plan to strengthen our FMEG product portfolio and enter into new product segments by way of continuous product development and innovation. Our R&D activities will be focused on developing new products to capitalize on industry trends, including the move towards home automation and green or environmentally friendly products that consume less power. We also intend to focus on street lighting and other specialized products such as domestic and agriculture pumps, domestic air purifiers and domestic water purifiers.

We intend to further our partnership with our direct customers in the FMEG market and continue to evolve and design products customized for their changing needs. We will continue to position ourselves as the go-to manufacturer of FMEG and will focus on strengthening our after-sales service for our customers. We have created an after-sales service vertical, focused on providing quality after sales services to all our customers across all our product categories. As at June 30, 2018, we have over 230 customer care franchisees who employ customer care technicians.

## **Expand distribution reach**

We intend to increase the size of our addressable market by increasing the number of authorized dealers and distributors in North, South and East India. We also plan to penetrate new towns through these additional dealers and distributors.

We continually evaluate the need for newer warehouses and take appropriate decisions when necessary. We intend to add regional distribution centers in Hyderabad and Kolkata and smaller warehouses in other locations depending on the market potential and our sales plans. These new warehouses will be equipped with ASRS comprising features such as advanced racking mechanisms to meet competitive delivery deadlines. We will also look to implement auto-replenishment modules across our warehouses to help us better monitor and manage the inventory levels at our authorized distributors and dealers.

We will continue to enhance our CRM programme, Bandhan, with features such as GPS, enhanced incentive programmes for accumulation of loyalty points and KYC compliance to ensure the authenticity of our users. In particular, we seek to increase the take up rate of Bandhan among electricians and retailers. As the take up rate of Bandhan and accordingly, the amount of customer data collected through Bandhan increases, we will be able to better identify and understand our end customers as well as more effectively allocate resources. Since we implemented Project Josh in 2015, we have rolled it out in more than 250 towns and will continue to implement it in more towns to increase our distribution network, market share and sales in each location in India. Through Project Josh, we have increased our number of retailers and distributors to, as at June 30, 2018, approximately 33,000 and 500, respectively, in the approximately 105 locations where Project Josh was implemented.

## **Continue to invest in technology to improve operational efficiencies, customer satisfaction and sales**

We intend to continue to invest in technology to improve our operational efficiencies, increase customer satisfaction and improve our sales and profitability.

We will focus on optimizing and automating our production processes to improve returns in a rapidly changing technological environment. We aim to identify opportunities to implement production improvements and will dedicate R&D resources to enhance our production processes. Our adoption of automated production technology will be based on cost and customer service considerations, with a view to equipping ourselves with the optimal production capability to provide the reliable production to our customers. We will also focus on introducing and implementing technology to aid us in our supply chain management to ensure high quality, low costs and on time delivery for our customers. We will continue to automate our production processes through initiatives such as ASRS and auto replenishment modules to help us lower our inventory levels, increase our inventory turnover cycle and better manage the inventory levels at our authorized distributors and dealers. Once implemented effectively, we expect these initiatives to improve our profit margins as well as those of our authorized distributors and dealers. See *“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Working Capital Cycle”* beginning on page 521 for details on our working capital ratios.

We will continue to invest in CRM systems and tools that will allow us to better understand our customers and thereby help us to optimize customer interactions, product development and our sales and marketing efforts. Apart from enhancing Bandhan, we intend to implement various software and tools to enable salesforce automation for primary and secondary sales and link our organization systems with our authorized distributors. One of them is the platform under Project Josh where we track, manage and promote secondary sales from distributors to retailers through a mobile app, Field Assist, and Distributor Management Software. The Field Assist is a GPRS-based sales force automation tool for managing secondary sales (i.e. sales from distributors to retailers) and we have implemented it in Hyderabad, Pune, Cochin and Thrissur. It, along with the Distributor Management System, is linked to the distributors’ billing software so that orders from retailers collected on the mobile app is forwarded to distributors and fulfilment tracked. The software also provides us with visibility on secondary sales, stock movement and automated orders to replenish the inventories of our distributors inventory. We intend to roll out this platform across India by March 31, 2019.

With the objective of providing ease to our dealers and distributors in managing their operations and to capture greater sales, we are in the process of implementing a self-service dealer portal which facilitates dealers in placing their purchase orders and making payments. The portal provides information on, among others, order status, account ledger, applicable sales incentive schemes, latest price list, product catalogue, inventory availability and real time information on new products. The portal will be available through mobile apps. We are also in the process of implementing a sales force automation tool for lead, opportunity, account and contact management and to increase the productivity of our sales team by collaboration, workflow, activity visibility and availability of data.

In addition, we will continue to expand our R&D capabilities to capitalize on emerging trends such as energy efficiency. In particular, we seek to capitalize on the trend towards home automation through our continuous development of smart home electrical products such as fans, lights and curtains which feature apps-based operation and control in the switches and switchgear segment. See *“Our Business – Research and Development”* on page 204 for details on our R&D initiatives.

## Strengthen brand recognition

We intend to continue enhancing our brand awareness and customer loyalty through promotional and marketing efforts. We will seek to increase our visibility and brand recognition through increased advertising in print and social media and television campaigns and increased one-to-one interactions with our authorized distributors, authorized dealers and end-consumers. We will also strengthen our influencer activities targeted at retailers, electricians, contractors, consultants, builders, industrial customers and government agencies. At the retail outlets, we intend to enhance our point of sale activities and increasing our visibility through signage and displays.

We will also focus on continuing to protect our brand by strengthening our anti-counterfeiting strategy. This will include creating a stronger brand identity such as using the same logos, similar design and packaging consistently across our product lines and security features such as serial numbers to aid detection of counterfeit goods. For details on our intellectual property, see “Our Business – Intellectual Property” on page 206.

We believe that our strong presence in India and scale of operations allows us to increasingly focus on branding and promotional activities and enhance our visibility in the electrical products industry.

## OUR PRODUCTS

We are primarily engaged in the production and sales of a variety of wires and cables and FMEG including electric fans, LED lighting and luminaire, switches and switchgears, solar products and conduits and accessories. Our products are used in the power industry and a range of other industries, including petrochemicals, metal and mining, communication and railways, shipbuilding and construction.

The table below sets forth a breakdown of our total income by segment as per our segment reporting under Ind AS 108, for the periods indicated.

	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	(₹ in millions)	(% of total income)	(₹ in millions)	(% of total income)	(₹ in millions)	(% of total income)
Wires and cables external sales	62,398.86	89.32%	56,078.84	91.60%	52,633.81	91.58%
FMEG external sales	4,942.53	7.07%	3,383.83	5.53%	1,981.13	3.45%
Others external sales	2,490.72	3.57%	1,720.19	2.81%	2,824.75	4.91%
Financial income	27.40	0.04%	39.35	0.06%	33.75	0.06%
Total income	69,859.51	100.00%	61,222.21	100.00%	57,473.44	100.00%

“Other external sales” comprises our EPC business, which includes design, engineering, supply, execution and commissioning of power distribution and rural electrification projects.

The table below sets forth a breakdown of our external sales for our wires and cables business for Fiscal 2018 and Fiscal 2017. We implemented a new enterprise resource planning (“ERP”) system during Fiscal 2016, hence a breakdown of our external sales for our wires and cables business only became available starting in Fiscal 2017.

	Fiscal 2018		Fiscal 2017	
	(₹ in millions)	(% of total wire and cable external sales)	(₹ in millions)	(% of total wire and cable external sales)
Wires and cables external sales				
Cables	34,080.49	54.62%	27,991.03	49.91%
Wires	24,363.24	39.04%	20,504.49	36.56%
Others <sup>(1)</sup>	2,508.66	4.02%	2,114.41	3.77%
Excise duty <sup>(2)</sup>	1,446.47	2.32%	5,468.91	9.75%
Total wires and cables external sales	62,398.86	100.00%	56,078.84	100.00%

<sup>(1)</sup> Consists of scrap and miscellaneous other items.

<sup>(2)</sup> Substantially all the excise duty that we paid prior to abolition of the excise duty related to our wires and cables segment. Accordingly, although we had payments of excise duty within our FMEG business, the amounts were insignificant and, for ease of presentation, we have allocated the entire excise duty to our wires and cables business breakdown presented here.

## Wires and cables

Our portfolio of wires and cables primarily comprise power cables, control cables, instrumentation cables, solar cables, building wires, flexible/single multi core cables and communication cables. We manufacture wires and cables in accordance with various Indian and international standards. In addition, we may produce customized products for our customers, based on their requirements and specifications. This enables us to offer customers customized solutions based on their performance expectations.

### ***Power cables***

Power cables are principally used for power transmission and distribution systems (overhead, underground and submarine) in the power and other industries. We manufacture a range of cables with high to low voltage and different sheathings such as PVC, XLPE, flame retardant and low smoke. The main structural components of power cables include conductor, insulation and sheath.

The table below sets forth the principal power cables that we manufacture and sell:

<b>Principal Products</b>	<b>Rated Voltage</b>	<b>Applications</b>
Low voltage power cable	Up to 1.1 KV	Low voltage power cables are suitable for use on AC single phase per three phases (earthed or unearthed) systems for rated voltage up to 1.1 KV. These can also be used on DC systems for rated voltage up to 1.5 KV to earth.
Medium voltage power cable	1.1 KV to 33 KV	Medium voltage power cables of differing types have a variety of applications in instruments, ignition systems, and AC and DC power transmission. Conductors are made of copper / aluminium conductor which are screened with extruded semi-conducting compound.
Extra high voltage power cable	66 KV to 220 KV	Extra high voltage power cables are mainly used in expansion of transmission lines owing to its lower transmission loss benefits.  XLPE compounds are used for insulation which offers fast curing and superior electrical properties. Extruded insulation should be of high cleanliness with smooth interface and cable core should be free from contamination voids and manufacturing defects. This is achieved by employing a single point triple extrusion dry curing process.

Depending upon the characteristics of the operating environment, power cables are available in different types of internal and external sheathing. Each sheathing is unique and designed to withstand a particular set of external conditions.

### ***Control cables***

Control cables send signals to control the functioning of an equipment and allow distribution of data or signals that have low voltage. Designed specifically for automation controls, these cables have a copper conductor, which is enveloped in galvanized steel braid. These cables usually bear a PVC/XLPE insulation that protects them from impacts and harsh climatic conditions.

### ***Instrumentation cables***

Instrumentation cables find a wide variety of applications for process instrumentation for measurement, supervision and control of the process in oil & gas, power generation and distribution, auto, chemical and mining industries. With very low level of electrical signal passing through these cables which are also prone to external interferences during transmission, these cables demand stringent quality requirements and special electrical properties. The tinned copper conductors are laid up in pair/triad /quad either overall shielded or individually and overall shielded.

### ***Solar cables***

DC solar cables are used as inter-connection cables for connecting different photovoltaic modules in air or conduit. LT solar AC cables are used for connection of inverter to transformer in air/underground trays whereas HT Solar AC cables are used for connecting transformer to the grid in air/underground trays. Solar cables must withstand extreme weather conditions, be flame and fire retardant and operate at consistent high temperatures.

### ***Building wires***

Our building wires are environmentally friendly and suitable to use where high flexibility is of prime importance. The wires are also ideal for indoor- and outdoor-applications and building electrification in various industries, household appliances such as power-supply for refrigerators and air conditioners. Our wires possess high safety and fire performance standards which meets the stringent European Euroclass of Construction Product Regulations and are therefore environmentally sustainable. It is energy efficient, recyclable, compliant with the Restriction of Hazardous Substances Directive 2002/95/EC, fire retardant, has low smoke density and emits fewer toxic gases in extreme fire situations.

### ***Flexible single/Multi core***

We manufacture energy efficient class 5 wire with different insulation properties such as PVC, heat resistant flame retardant (“**HRFR**”), heat resistant (“**HR**”) and high resistant-flame retardant low smoke (“**HR-FRLS**”). These are constructed from 0.5 to 1000 Sq.mm. in single core copper rods, and (2C - 61C) \* (0.5 Sq.mm.- 4.0 Sq.mm.), (2C- 4C) \* (6 Sq.mm.- 120 Sq.mm.) in multicore segment copper rods.



### ***Communication cables***

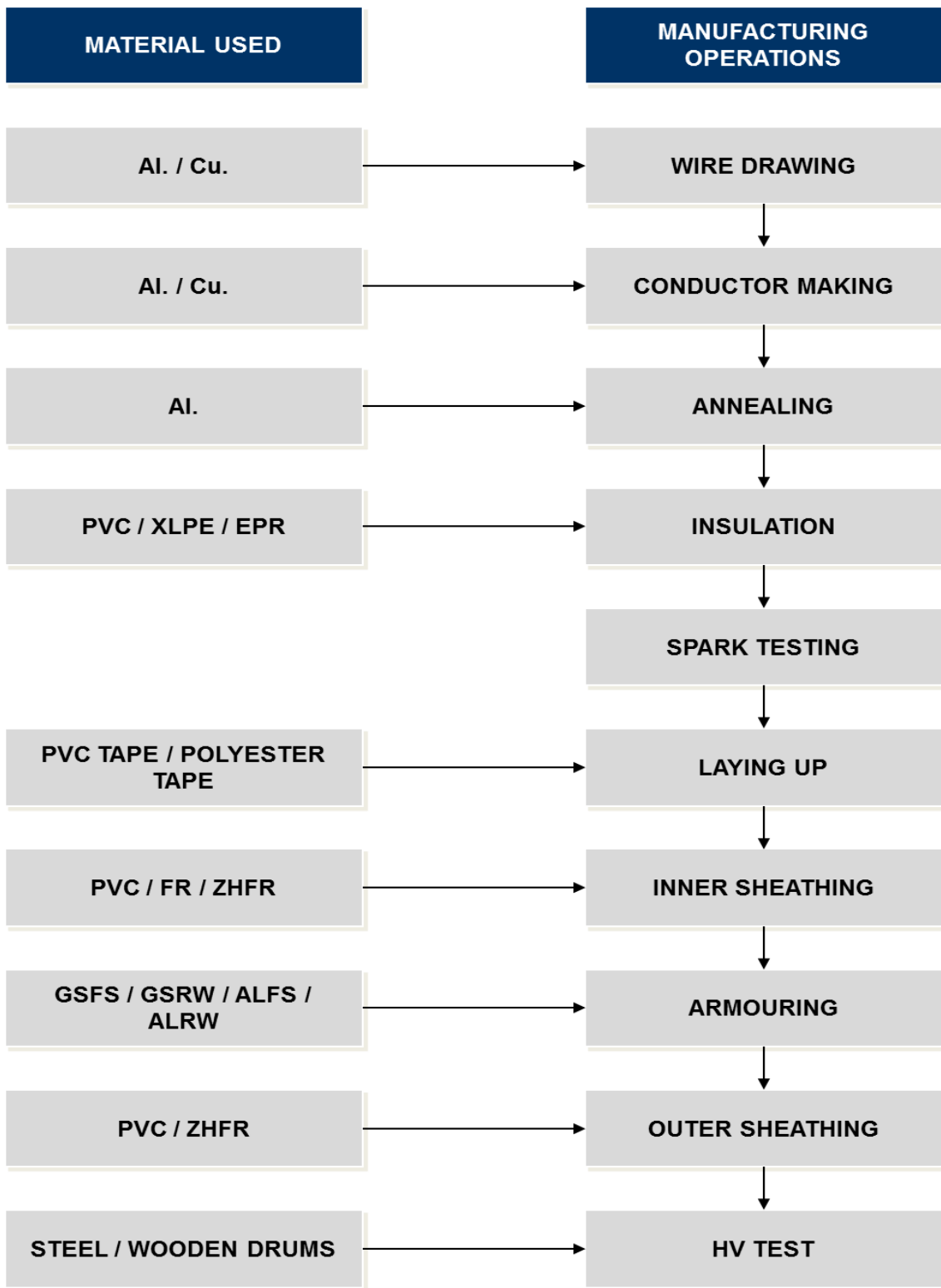
We manufacture a wide variety of communication cables which include telephone cables, LAN cables, co-axial cables and speaker cables.

### ***Other cables***

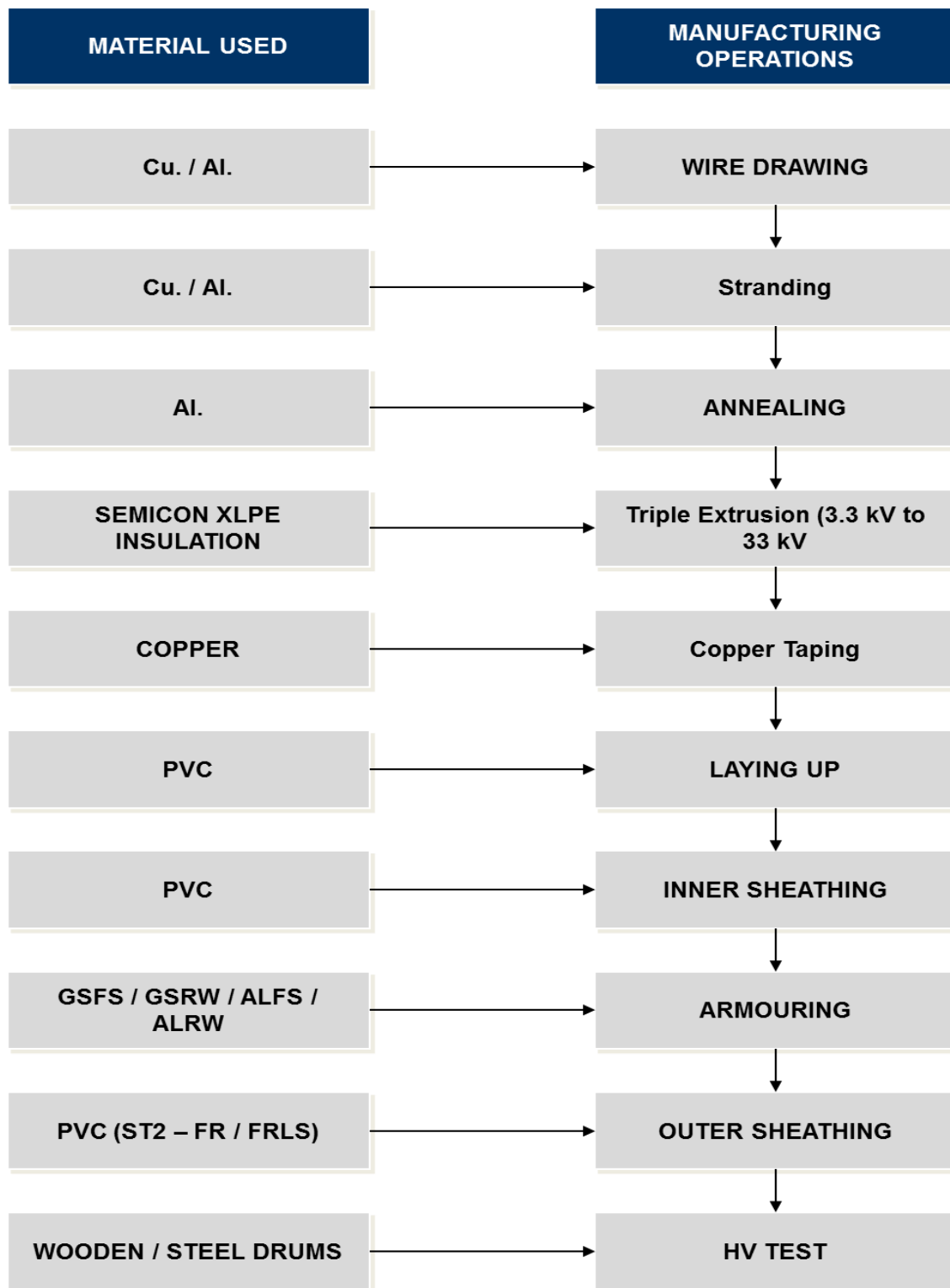
We also manufacture other cables including welding cables, submersible flat and round cables, rubber cables, overhead conductors, railway signaling cables and specialty cables. Our specialty cables can be used for various applications such as marine, oil and gas, extreme fire conditions, space station cables and traffic signaling.

*Production process*

The diagram below sets forth the typical manufacturing process of LT cables with a size of 10 sq.mm. to 1000 sq.mm and 1.1KV:



The diagram below sets forth the typical manufacturing process of HT cables with a size of 25 sq.mm. to 1000 sq.mm and 3.3KV to 1.1KV:



The steps described in the diagrams above are briefly described as follows:

*Wire drawing*

Aluminium or copper rods are first pulled through drawing machines and stretched into wires during the drawing process. When the rods are forced through a die, the metal cross-section is also compressed in order to meet size and shape requirements set forth by our customers.

*Stranding*

Several aluminium wires or copper wires are stranded together to add flexibility to the cable, which makes installation easier.

## Conductor making

Conductors are made to carry the electricity.

### *Annealing*

During the drawing process, the wires are also simultaneously heated and subsequently crystallized by cool water so as to soften the wires and increase their flexibility in accordance with specifications of our products.

### *Insulation*

The wires are then coated with materials, such as PVC, polyethylene and XLPE, to provide insulation.

### *Triple extrusion*

This is an insulation process largely for medium, high and extra voltage cables. The conductor screen, insulation and insulation screen layers are applied simultaneously in CCV.

### *Spark testing*

Spark testing is carried on outline on insulated cores to check for defects in insulation.

### *Copper taping*

Copper taping is used in medium, high and extra high voltage cores as a screening for equal distribution of electrical stress on the cable surface as well as draining the leakage current.

### *Laying up*

The insulated cores in the cable are assembled using a machine known as a drum twister.

### *Inner sheathing*

A layer of plastic or rubber composite is extruded/wrapped onto the cable assembly to hold the insulated cores together. This stage of the process allows our employees to add special characteristics to the cable such as waterproof and fire-resistance qualities.

### *Armouring*

Armouring requires a machine to wrap metal wires and tapes over the inner-sheathed cable assemblies, which allows cables to withstand certain pressure and tension during use.

### Outer sheathing

An additional layer of plastic or rubber composite is added as an outer sheath to protect the finished products from chemical erosion. Both sheathing processes are necessary to guarantee the cable's insulation property. In the production process of high and ultra-high cables rated voltage of 132kV and above, no cabling, inner sheath or armoring is involved. The final step for production of high and ultra-high cables is the addition of an outer sheath during which a layer of metal material (such as aluminium) is wrapped and then a layer of plastic composite is added.

### *HV test*

Routine testing is carried out, where specified voltage is applied on the cable to ensure the voltage carrying capability of that cable.

## **FMEG**

We sell and, as the case may be, manufacture a range of FMEG products comprising electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories.

We own and operate two manufacturing facilities located in Maharashtra and Uttarakhand for the production of switchgears and ceiling fans, respectively. We also have a joint venture with Techno, a Gujarat-based manufacturer of LED products. Through this joint venture, we are able to secure a reliable supply of LED lighting and luminaire products and be better placed to take advantage of the growth opportunities we see in the LED industry.

For all our other FMEG products, we enter into arrangements with third-party manufacturers who manufacture our products based on our requirements. These products include fans, lighting and luminaire products, switchgears and switches and pumps.

We select and evaluate these third-party manufacturers based on certain criteria including the quality of products produced, reputation and delivery standards. We also conduct site visits to ensure that the products produced, and the production process meet our standards and requirements.

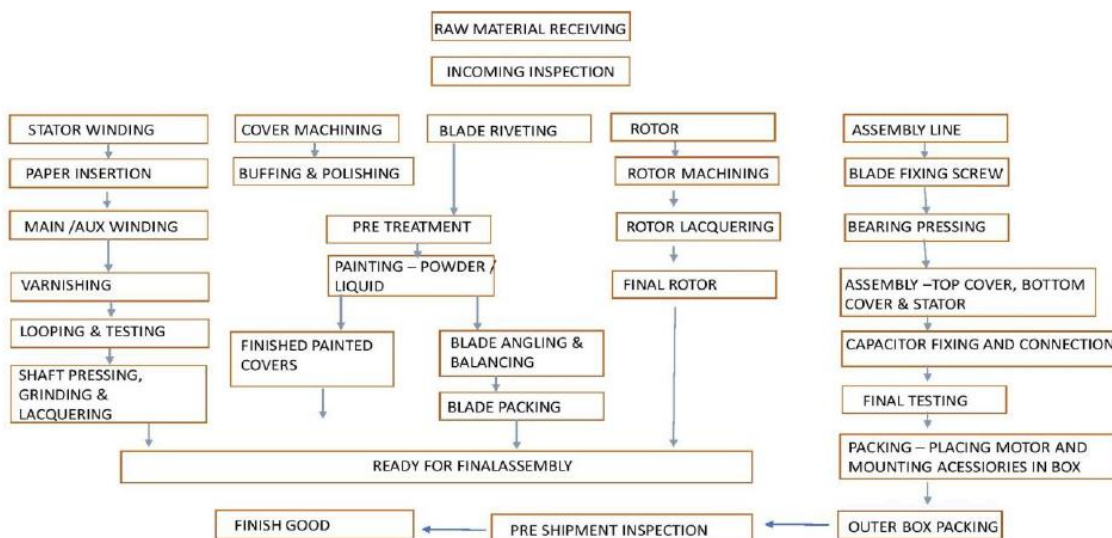
### Electric fans

Our portfolio of electrical fans include ceiling fans, table wall pedestal (“TPW”), exhaust fans and air circulators. The following table sets forth certain electric fans that we sell:

Principal Products	Applications
Ceiling fans	Homes, offices and restaurants
TPW	Offices, factories and bungalows
Exhaust fans	Kitchens, bathrooms and factories
Air circulator	Water heaters in bathrooms and kitchens

### Production Process

The diagram below sets out typical manufacturing process of an electric fan:



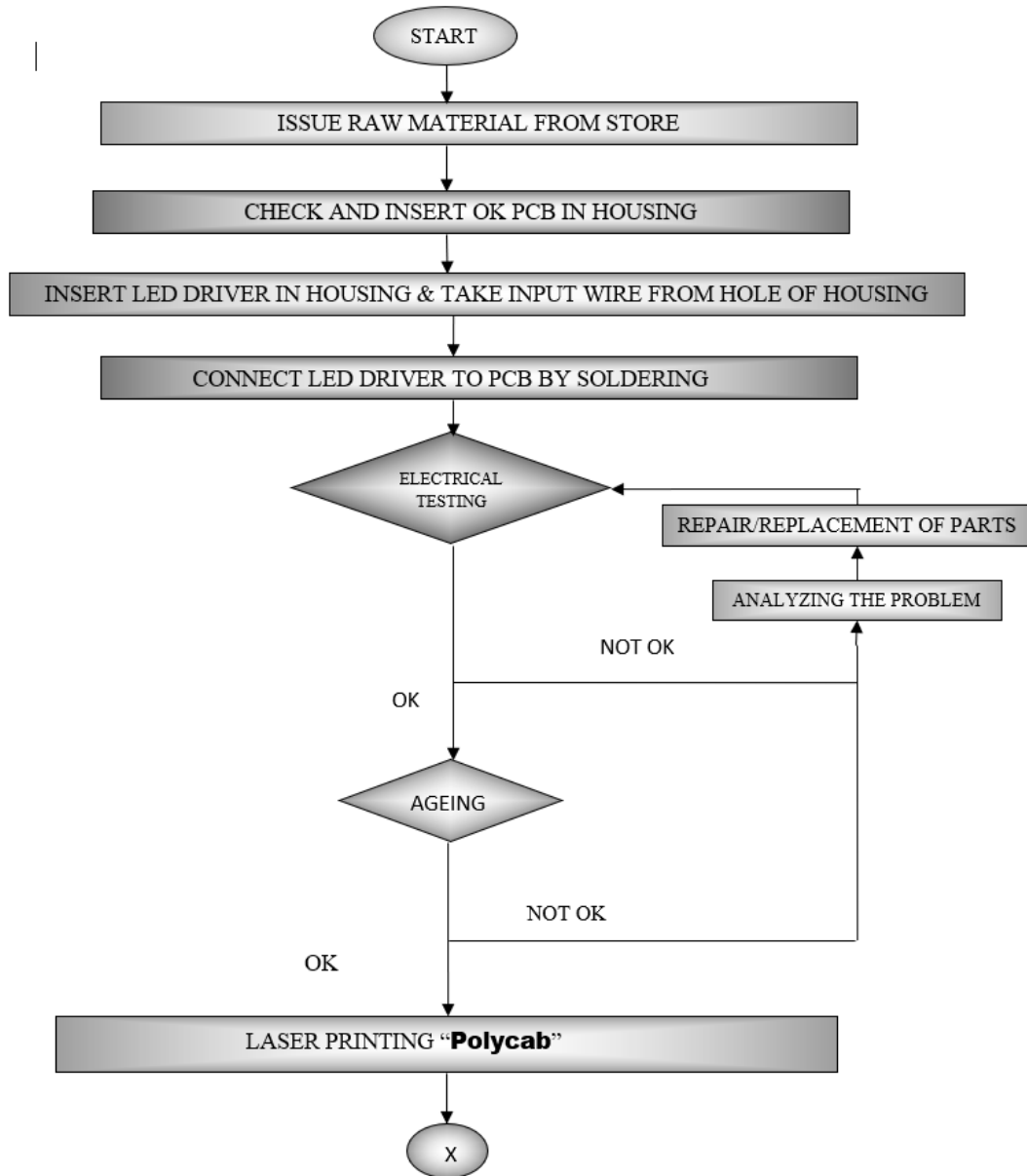
### LED Lighting and Luminaires

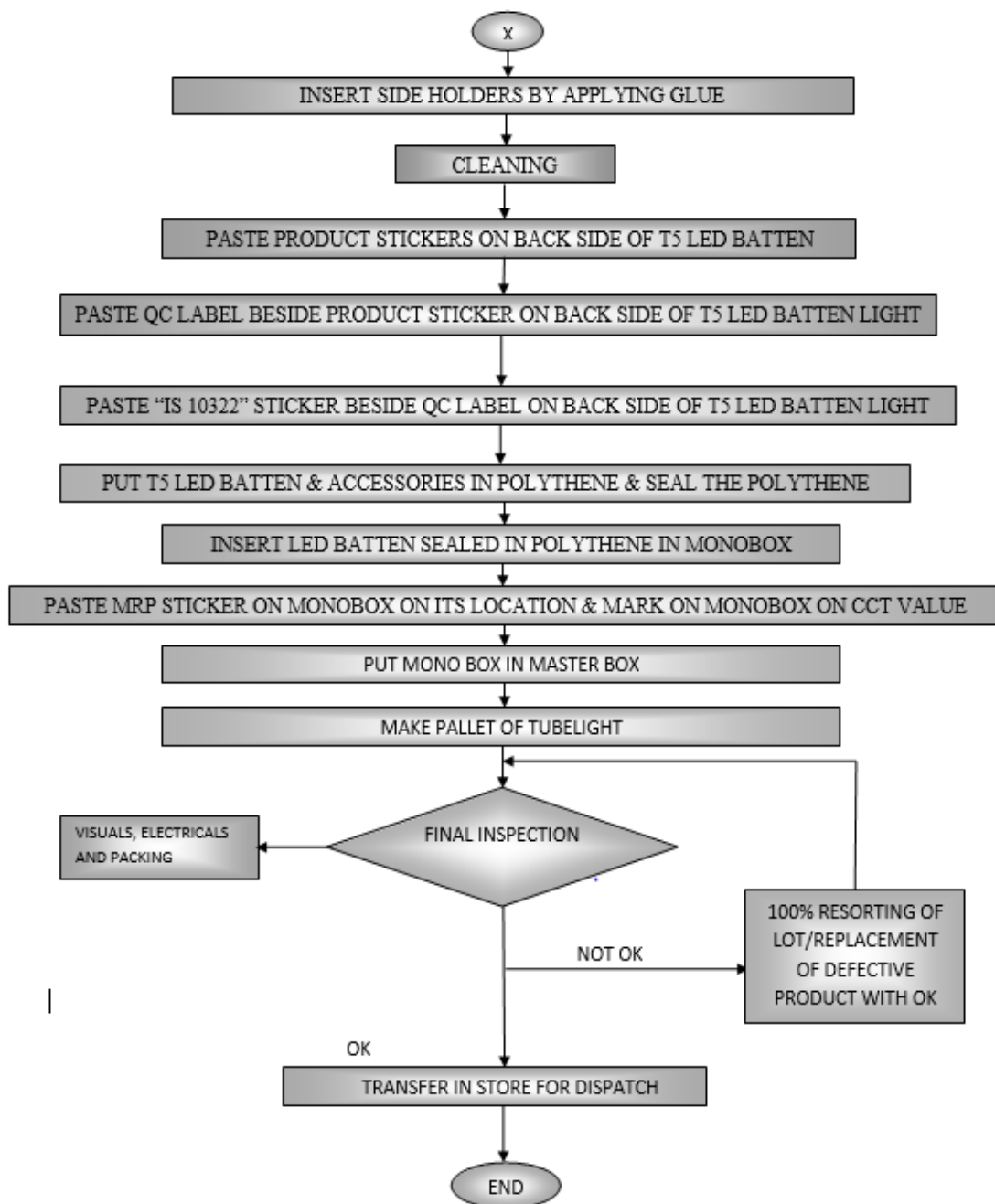
We manufacture, sell and trade a range of LED lamps (including down-lighters) and luminaires at varied wattages. Our lighting products are suited for use as task lighting, which is intended to be functional and concentrated, such as reading, and for accent lighting, which is intended primarily for decorative purposes. Our LED lamps have been certified to be in conformity with the Indian Standard Index by the BIS. Our lighting and luminaire products are sold under the brand “Polycab”.

Our lighting product portfolio comprises a range of LED domestic products and LED luminaires for consumer, commercial and outdoor lighting. The table below sets forth certain LED lighting and luminaire products we manufacture and/or sell:

Principal Products	Applications
Domestic (LED Domestic products including lamps, batten, panels and downlights)	Homes, restaurants, call centers, hotels, retail showrooms, stores, banks, hospitals
Urbania (Street Lights)	Residential colonies, industrial parks, secondary and medium traffic roads
Arenia (Flood Lights)	Billboards, facade lighting, open area lighting
Industria (LED Luminaires including high bays, medium bays, clean room and task lighting)	Industrial applications, power plants, cement plants, thermal plants, underground parking area, banks, hospitals
Modernia (Commercial Luminaires including panels, downlights, mood lighting and recessed lighting)	Corporate offices, conference rooms, call centers, retail showrooms and stores, banks, hospitals
Gardenia (Bollards and Landscape Lighting)	Parks, parking lots, lawns, pathways and bollard applications

The following diagram shows the typical manufacturing process for a LED batten, which is largely similar to the manufacturing process for our other LED lighting and luminaire products:





### Switches and Switchgears

Our portfolio of switches and switchgears includes miniature circuit breakers (“**MCB**”), isolators, residual current circuit breakers (“**RCCBs**”), Residual Current Breaker with Overcurrent (“**RCBOs**”), distribution boards and a range of sockets and modular switches that are available for varied range of wattages, voltages and amperage and with different breaking capacities. Our sockets and switches are sold under the brand “**LEVANA**”.

The following table sets forth details of certain switches and switchgears that we manufacture, sell and trade:

Principal Products	Applications
MCBs	In the event of overload or a short-circuit, MCBs disconnects the load circuit.
RCCB	RCCB is to be used with MCBs. The function of the RCCB is to detect earth leakage current and disconnect load to protect people, equipment and buildings against electric shocks.
RCBO	RCBO is installed where there is a need to protect against overload or short circuit on a particular circuit and to protect people against electric shocks.

Principal Products	Applications
Distribution Board (“DB”)	A DB is used to distribute electrical supply within the building. The main supply cable comes into the board and is then power distributed to the breakers and then to all the circuits. It usually houses all the circuit breakers and earth leakage breakers.
Electrical Switches	Modular switches are used to make and break electric circuit. In other words, they either allow or disallow the current to pass the load.

In addition, we manufacture and sell accessories such as extension boards, bulb holders and ceiling rose.

### Solar Products

As part of promoting the use of renewable energy, we have ventured into the sale of solar inverters, solar water pumping system and electron-beam irradiated solar cables manufactured by third-party manufacturers. The table below sets forth our key solar products:

Principal Products	Rated Voltage/Size	Applications
Solar DC Cables	1.5sq.mm to 300 sq.mm	Our solar DC Cables are TUV approved as per EN 50618 standard. Typically, 4sq.mm and 6sq.mm sizes are used to connect the output of solar photovoltaic (“PV”) panel to the array junction. Other sizes are used to connect the array junction boxes to the main junction boxes and then to the string/central inverter.
Solar Grid Tie Inverter	1kw to 60kw	Our solar grid tie inverters are used to convert direct current (“DC”) power generated from solar energy through solar panel, into alternating current (“AC”) power. It adjusts the voltage levels according to the grid voltage for synchronization with local grid supply. The solar grid-tie inverters feed the generated power to the load, and excess power is exported to the grid, facilitating Net Metering. The solar grid-tie inverters are used for solar on-grid projects only.
Solar Pump	1HP to 30HP	Our solar pumps, ranging from 1HP to 30 HP, largely caters to the agriculture segment and works on solar power generated through Solar Panels.
Solar Pump Controller	1HP to 30HP	Our solar pump controllers are suitable for 1HP to 30HP Solar AC Pump. The controllers provide variable frequency AC to drive the pump motor at different speeds, pumping water for irrigation throughout the day at various solar insolation.
Solar DC MCBs	0.5A to 63 Amps	Our DC MCBs provide protection to the Inverter input from excess overload and short circuit. Single Pole (250V DC) are also available for use in railways and solar pump Controllers.
Solar Off Grid Inverters	0.5KVA to 25KVA	Our solar off grid inverters are used to convert the DC power received from the Solar PV panels to AC power. This provides power supply to the load and charges the batteries. If solar power is not available, the batteries provide DC power to the inverter to feed the loads.

### Conduits and Accessories

We also sell uPVC conduits and accessories. Our uPVC conduits carry wires inside the wall and under the slab at the time of construction. They are typically used for concealed wiring, underground wiring and surface wiring.

uPVC accessories that we sell include bending springs, circular boxes, circular lids, couplers, deep circular boxes, fan boxes, inspection bends, inspection elbows, inspection tees, junction boxes, reducers, round tees, saddle plates, saddle straps, slip type bends and space bar saddles.

### EPC

Our EPC division provides electrical turnkey solutions comprising project management, onsite execution and resource management through specialized erectors and financial management. Our solutions are largely provided for the transmission and distribution sectors involving projects in extra high voltage and high voltage levels for various government utilities in India. These projects typically require a large supply of cables, wires and conductors, and we supply these components.

Since we started our EPC business in 2009, we have completed a range of projects including refinery works, rural and urban electrification and extra high voltage cable laying. Some of the key projects we have completed include the 110kV extra high voltage cable laying in Kerala, electrification works for BPCL Kochi refinery, urban electrification of Nerul division in Navi



Mumbai, Maharashtra, conversion of overhead infrastructure into underground cables in Azamgarh, Mau and Baharaich and rural electrification works in the town of Vaishali.

## PROPERTIES

### Manufacturing Facilities

As at June 30, 2018, we have a total of 24 manufacturing facilities. In addition, we have two manufacturing facilities, including the Ryker Plant, which are currently under construction.

The following table sets forth certain details of our manufacturing facilities:

City	Leased/ owned	Constructed Area (sq. feet)	Annual Installed Capacity as of June 30, 2018 <sup>(8)</sup>	Actual Fiscal 2018 Production <sup>(8)</sup>	Capacity Utilization Fiscal 2018	Capacity Utilization Fiscal 2017	Capacity Utilization Fiscal 2016
<b>Wires and Cables</b>							
Halol	Owned	5,648,268	1,869,865kms	1,034,298 kms	81% <sup>(1)</sup>	96% <sup>(1)</sup>	95% <sup>(1)</sup>
Daman	Owned/ Leased	1,742,550	1,424,598 kms	1,127,867 kms	79%	75%	72%
<b>LED Lighting and Luminaires</b>							
Chhani	Owned	64,000.86					
LED batten			12,000,000	1,888,586	15.74%	13.44%	_(2)
Panel LED light			3,000,000	335,146	11.17%	30.44%	_(2)
LED flood light			300,000	16,667	5.56%	5.61%	_(2)
LED street light			480,000	82,103	17.10%	26.60%	_(2)
LED bulbs			2,400,000	757,000	31.54%	2.00%	_(2)
<b>Switches and Switchgears</b>							
Nashik	Leased	86,111	6,000,000	2,843,930	79%	69%	41%
<b>Fans</b>							
Roorkee	Owned	85,000	2,400,000	1,353,477	56%	32%	11%
<b>Others</b>							
Padana <sup>(3)</sup>	Leased	77,403	7,445	10,296	66%	_(4)	_(4)
<b>Halol/ Waghodia</b>							
Copper rods (Waghodia)	Owned/ Leased	217,750	_(5)	_(5)	_(5)	_(5)	_(5)
Steel wires	_(6)	_(6)	_(6)	_(6)	_(6)	_(6)	_(6)
Aluminium and copper terminals	Leased	161,270.29	_(7)	_(7)	_(7)	_(7)	_(7)

Note:

- (1) Capacity utilization decreased from Fiscals 2016 to Fiscal 2018 largely due to the increased capacity arising from the additional production facilities built.
- (2) The production facility at Chhani commenced manufacture of LED lighting and luminaire in Fiscal 2017.
- (3) Includes drums, outers and pallets.
- (4) The production facility at Padana was not operational in Fiscals 2016 and 2017.
- (5) The production facility at Waghodia with a designed annual capacity of 258,620 MT of copper rods has yet to commence operations.
- (6) The production facility at Waghodia with a proposed annual capacity of 60,000 MT of steel wires is currently under construction.
- (7) The production facility at Halol commenced manufacture of aluminium and copper terminals in July 2018. The production capacity of aluminium and copper terminals for July 2018 and August 2018 was 592,000. The actual production of aluminium and copper terminals for July 2018 and August 2018 was 296,503. The capacity utilization of aluminium and copper terminals for July 2018 and August 2018 was 50.08%.
- (8) Figures provided are absolute numbers where no units are indicated.

### Other Properties

We own (i) our registered office, which is located at E-554, Greater Kailash-II, New Delhi – 110048 India, and (ii) our corporate office, which is located at Polycab House, 771, Mogul Lane, Mahim (W), Mahim – 400016, Maharashtra India.

## QUALITY ASSURANCE

We believe in the importance of quality control and have developed systems throughout our manufacturing process to minimize risks and ensure the safety as well as quality of our products. We seek to continually improve our quality system to meet industry standards and customers' expectations.

Our central quality and test laboratory, located at Halol, is accredited as per ISO/IEC 17025:2005 by NABL. Another of central test laboratory, also located at Halol, for all flexible cables and wires is approved by Underwriters Laboratories, United States. In addition, our quality management systems are certified by DQS as per ISO: 9001:2015, and all our measuring and test instruments used for quality and testing activities are duly calibrated with reputed NABL accredited calibrating agencies for precise calibration.

As at June 30, 2018, we had a team of more than 150 trained quality management engineers. We strive to regularly improve our systems to ensure that we are always in line with the latest technology and changes in national and international standards.

We conduct our quality testing and inspections strictly in accordance with various standards such as our Quality Assurance Plan ("QAP"), which is in line with national and international standards. Quality testing and inspection process includes (i) raw material inspection, (ii) process inspection (during each step of the manufacturing), (iii) final inspection on finished product, and (iv) customer inspection. All finished products undergo a routine test to confirm the quality prior to shipment irrespective of urgency. Products fully confirming as per respective standard and customer requirement are allowed for shipment.

We have adopted the following quality control measures throughout the entire manufacturing process (including the procurement of raw materials, testing methods, control of the manufacturing process, product inspection, product delivery and after-sales service) to ensure we have high quality products:

(a) **Supplier qualification**

Raw materials are purchased only from qualified and approved vendors, after evaluation of their quality, pricing, timely delivery, financial condition, after-sales services and market reputation. We periodically conduct compliance surveillance audits on our vendors to ensure that they maintain a high standard.

(b) **Raw material inspection and testing**

We inspect and test raw materials from our suppliers in accordance with our standard QAP. The objective for conducting such inspections and testings is to verify that the raw materials purchased from our suppliers meet the national and international industrial standards and the technical requirements. Such raw material inspections and testings are conducted by our engineers through the sampling process as set out in our QAP.

Raw materials which do not comply with our requirements are rejected and returned to our suppliers.

(c) **Production quality control**

We conduct quality control tests at each stage of the production process. The objective is to ensure that the products meet national and international standards, quality requirements and customer requirements.

During the testing, if a deviation is found, the product is kept on hold and a non-conformance report is prepared. While products with slight deviations may be released, all products with major deviations (such as those which materially affect the performance of the product) are either scrapped or re-worked.

(d) **Final inspection and testing**

We conduct final quality testing on all our manufactured products to ensure that they comply with customer requirements and national and international standards. Products are tested for voltage, partial discharge, conductor resistance, insulation and other quality requirements.

As a testimony to our commitment to a quality management system and quality products, we have obtained the following certifications:

Name of Certifications	Ranges of products applied	Issuing Authorities
NABL CERTIFICATE	1 kV to 220 kV power and control cables	NABL, India
QMS ISO 9001:2015	Complete range of products	DQS, USA
Type Test Reports	1 kV to 220 kV power and control cables	CPRI, Bangalore, India
Type Test Reports	1 kV to 33 kV power and control cables	ERDA, Vadodara
Type Test Reports	1 kV to 33 kV power and control cables	IPH, Berlin
Product Certification & QMS	Complete range of products	BASEC, UK
Product Certification	Thermoplastic insulated wires and tray cables	UL, USA

Name of Certifications	Ranges of products applied	Issuing Authorities
CE marking Certification	Complete range of products	FQC, Istanbul

During the last five years prior to the date of this Draft Red Herring Prospectus, we have not encountered any significant rejection of our products by our customers due to quality issues, nor have we encountered any material product liability claim against us or any material product recall.

## RAW MATERIALS AND PROCUREMENT

Our primary raw materials are copper, aluminium, PVC Compounds and steel.

When selecting suppliers, we take into consideration their reputation, product quality, price, reliability, delivery time and credit terms. The following table sets forth the details of our suppliers who accounted for 5.0% or more of our consolidated cost of goods sold for the periods indicated.

Suppliers	Fiscal 2016		Fiscal 2017		Fiscal 2018	
	Cost of Materials Purchased	% of Consolidated Cost of Materials Consumed	Cost of Materials Purchased	% of Consolidated Cost of Materials Consumed	Cost of Materials Purchased	% of Consolidated Cost of Materials Consumed
	(₹ in million)		(₹ in million)		(₹ in million)	
Trafigura India Private Limited	9,154.52	22.95%	2,616.62	6.17%	1,957.41	3.76%
Lykos India Private Limited	5,301.92	13.29%	7,345.13	17.31%	7,383.55	14.18%
PT Tembaga Mulia Semanan, Tbk	3,003.55	7.53%	4,768.59	11.24%	5,790.07	11.12%
Alpha Industries Sdn Bhd	2,991.61	7.50%	4,845.47	11.42%	6,939.41	13.32%
Dubai Cable Company (Private) Limited	1,484.96	3.72%	4,119.66	9.71%	5,542.23	10.64%
Vedanta Limited	1,098.97	2.76%	3,925.14	9.25%	4,064.25	7.80%

The prices of copper and aluminium are linked to the prices on the London Metal Exchange (“LME”), and the price of PVC Compounds depend on the price of crude oil, each of which are generally quoted in US Dollars. Accordingly, the price we pay for these raw materials can fluctuate due to volatility in the commodity markets and in exchange rates. Similarly, the price we pay for domestic steel can fluctuate due to volatility in Indian steel prices, though those are quoted in Indian Rupees.

The following table sets forth details of the LME cash settlement prices of copper and aluminium based on monthly averages, for the periods indicated:

	Fiscal 2018	Fiscal 2017	Fiscal 2016
	(US Dollars per ton)		
Aluminium	2,045.33	1,687.94	1,591.77
Copper	6,444.22	5,163.98	5,215.19

We have from time to time experienced cost fluctuations of our primary raw materials, particularly in copper, aluminium and steel due to volatility in the commodity markets. Since the selling prices of our products are affected by the prices of our primary raw materials, strong and rapid fluctuations in the prices of these raw materials and the inability to pass on the cost increase to our customers could negatively affect our operating results. To manage such risks, we have agreements with a majority of our suppliers, pursuant to which we typically have a 90-day window to price our products from the time of raw material procurement, primarily relating to our copper and aluminium products. This allows us to factor in the costs of the raw materials when we enter into any sales contracts and accordingly pass on any increase in the prices of raw materials to our customers. For most of our other suppliers with whom we do not have such pricing windows, we tend to submit purchase orders for raw materials back-to-back at or around the same time as we receive orders from customers, to help minimize our open raw material positions. For our EPC business, in which we tend to have longer-term contracts to supply products to our customers, we generally include price variation clauses in our contracts so that the sales price of our products gets adjusted periodically based on a formula that takes into account changes in raw material prices.

With regard to raw material sourcing, while we enter into general purchase agreements with our suppliers, we typically do not enter into long-term agreements with our suppliers. We generally receive credit terms of 60 days from our suppliers.

For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition – Raw Material Costs of Goods Sold*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosure about Market Risk – Commodity Price Risk*” on pages 507 and 524, respectively.

## **UTILITIES**

### **Energy**

We require substantial power and fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. For Fiscals 2016, 2017 and 2018, our power and fuel expenses were ₹818.70 million, ₹847.82 million and ₹838.56 million, constituting 1.43%, 1.40% and 1.21%, respectively, of our revenue from operations.

We source most of our electricity requirements for our manufacturing facilities from state electricity boards, our five windmills located in Gujarat and our rooftop solar at our warehouse in Bhiwandi.

### **Transportation**

Typically, our products are shipped to our own depots (for stock transfers), EPC/Project sites or directly to our customers. In certain cases, our customers may directly pick up the goods at our own facilities. The nature of shipment depends upon the terms associated with the customer order. In cases of stock transfers, we use vehicles with truck load capacities of 9, 16, 21 or 25 metric tons, depending on customer requirement. To deliver the consignment to our customers, we use mini trucks (Starts from 1MT load capacity) as well. The mode of transportation for a particular shipment include rail, road and air to deliver our products to our customers based on mutually agreed terms and conditions and on the urgency, size and value of the order.

Our domestic operations use a number of different modes of transportation including road, air, rail transportation and coastal shipping to supply our customers within their required deadlines. We manage the transportation requirements for such domestic or inbound freight directly. Where a shipment is outbound overseas, we use multi-modal transportation including road, air and sea transportation. We also utilize third-party freight forwarders who contract with the relevant ocean carriers and airlines on our behalf and engage third-party logistics services providers to provide support on our transportation requirements. We coordinate with these third-party service providers ensure that our transportation rates are competitive and that our transportation carriers are performing as required.

## **SALES AND MARKETING**

Our customers can be broadly categorized into our authorized distributors, authorized dealers and direct customers. Our customers come from a diverse range of industries including the power, oil and gas, EPC contracts, construction, IT parks, infrastructure, metal and non-metal and cement industries.

We sell and distribute our products through our network of authorized dealers and authorized distributors who in turn supply our products to retail outlets for sale. We also sell directly to our direct customers including power utilities and institutional customers such as developers of residential and commercial building projects and OEMs, pursuant to direct contractual arrangements with such customers. Our institutional customers include L&T Construction and government clients such as Konkan Railway Corporation Ltd.

For Fiscals 2016, 2017 and 2018, none of our customers contributed to 5.0% or more of our total income.

### **Distribution Network**

Our distribution network across India comprise over 3,300 authorized dealers and distributors selling our products as at March 31, 2018. We supply our products directly to our authorized dealers and distributors who in turn sell our products to over 100,000 retail outlets in India. Further, we supply our portfolio of products to our direct customers including certain developers of residential and commercial building projects, OEMs, governmental agencies and EPC companies through direct sales.

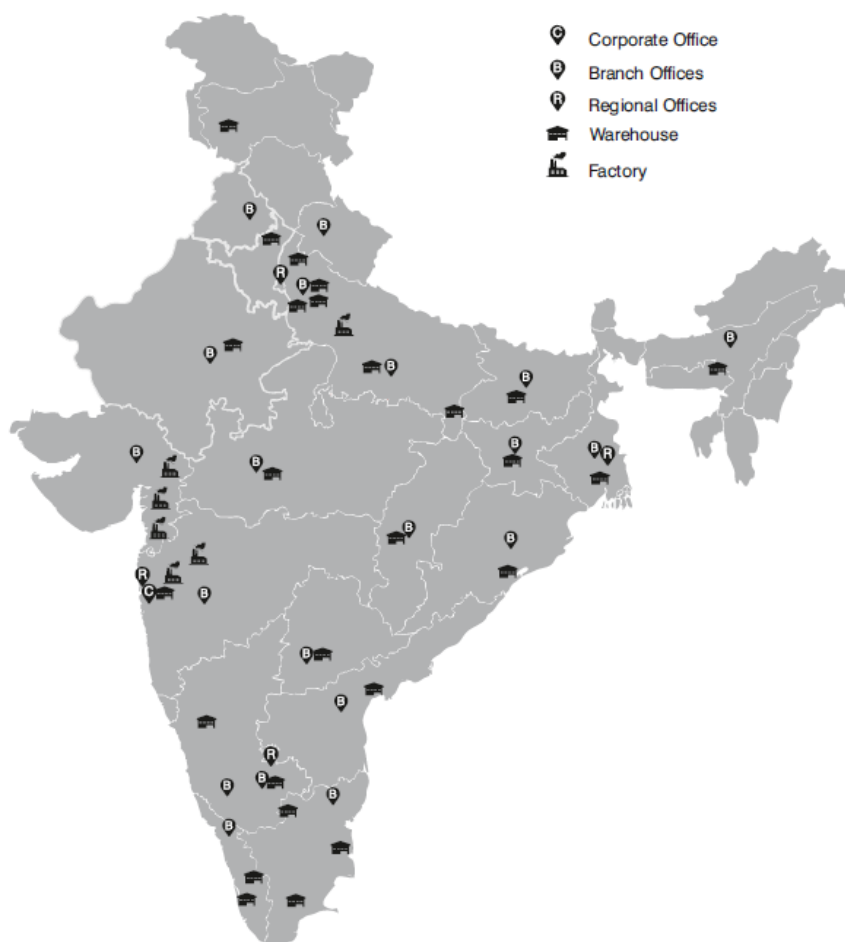
We enter into dealer or, as the case may be, distributor agreements with our dealers and distributors pursuant to which, among others, the relevant distributor or dealer shall be entitled to describe itself as our “authorized distributor” or, as the case may be, “authorized dealer” to promote and procure sales of our products in accordance with our policies. We also formulate sales policies containing general terms and conditions governing our relationship with our authorized dealers and distributors.

Our annual sales policies prescribe, among others, our credit policy, freight policy, payment policy, prices, incentives and the maximum discounts that may be allowed to an authorized dealer or distributor against early payment and achievement of sales targets. Our quarterly sales targets vary for each authorized dealer and distributor and we offer, among others, quarterly and annual turnover discounts on the bill value on the achievement of minimum sales targets. Our authorized dealers and distributors are responsible to make payments for our products sold within timelines stipulated in our sales policy and we offer cash discounts against early receipt of payment. Specifically, we offer a cash discount of up to 3% of the total invoice amount if the relevant dealer or distributor makes advance payment to us prior to dispatch or adopt channel financing. The credit period

extended to our authorized distributors and dealers 60 days from the date of the invoice. We reserve the right to change our policies at any time. We encourage our customers to adopt channel financing which allows them to obtain credit of up to 90 days from the date of invoice and helps us to improve our cash flows as we receive payments from the bank within three business days.

We manage our sales and marketing activities through one corporate office, three regional offices and 20 local offices across in India as at June 30, 2018. For Fiscal 2018 we have also exported our products to more than 40 countries.

In addition, we have 29 warehouses located across 20 states and union territories in India. Our warehouses are located in close proximity to our authorized distributors, authorized dealers and direct customers to ensure timely supplies and to avoid any unnecessary capital expenditure we may incur from setting up production facilities with sub-optimal capacities. The close proximity of our warehouses to our customers also enables us to mitigate the additional costs of transportation.



To strengthen our distribution network, we have undertaken several internal and external facing programmes including Project Josh and Bandhan.

In 2015, we introduced Project Josh, a strategic initiative which aims to increase our market share in the FMEG segment in a targeted and organized manner. Project Josh required us to make five key shifts in the way we manufacture and sell our products, that is to (i) place additional focus on pull marketing, (ii) be more customer oriented in terms of our products, (iii) anticipate changes and lead the industry, (iv) empower leadership among staff, and (v) undertake an approach of building lifetime relationships with our customers. Since its initial roll out in 2015, we have rolled out Project Josh in more than 250 towns and will continue to implement it in more towns to increase our distribution network, market share and sales in each location in India. In each town where Project Josh is rolled out, we undertake detailed mapping to better identify and understand our market positioning, our customers and more importantly, spot gaps in specific customer segments, products or geographical areas where we have the opportunity to strengthen or extend our reach to. Since the implementation of Project Josh in 2015, we have increased our number of retailers and distributors to, as at June 30, 2018, approximately 33,000 and 500, respectively, in the approximately 105 locations where Project Josh was implemented.

Bandhan is a CRM programme that we launched in April 2017 to provide a platform where we provide sales incentives to our retailers and electricians. Under the programme, a multitude of data is collected and analyzed from the respective retailers and electricians and such analysis has helped us better understand our end-customers and allowed us to allocate our resources more effectively and undertake targeted marketing. Through Bandhan, we are also able to more effectively develop and launch

products more rapidly into the market to meet the needs of our end customers, thus enhancing their loyalty and stickiness. In addition, Bandhan has allowed us to engage and work closely with our electricians and retailers who gain loyalty points when they register themselves on Bandhan. The loyalty points may be redeemed through a process of drawing out a redemption list based on the eligibility during the first week of the month. The point noting or closing day falls on the 1<sup>st</sup> day of the month and payment will be made on the 10<sup>th</sup> of the month. Retailers and electricians with balance points equal to or greater than the specified limit on the above dates will be considered for redemption. The amounts will be redeemed through real time gross settlement mode by money transfer into the bank accounts of the KYC approved members as registered on Bandhan and will be notified via short message services or phone calls. Unsuccessful bank transfers will be reversed and subsequent attempts will be made to transfer the money at the next redemption cycle. On a broader level, we seek to create, with Bandhan, an electrical ecosystem to strengthen our position as a market leader in the electrical products industry in India. As at June 30, 2018, we have more than 45,000 electricians and more than 18,000 retailers registered on Bandhan.

### **Pricing**

Our products are offered at various price points. Our sales and marketing team takes into consideration the margins of intermediaries at different stages, in accordance with market practice, and applicable taxes to arrive at the list price of our offerings. Our products are priced competitively amongst our competitors.

### **Cables**

To counter the volatility in prices of raw materials, we follow a policy of adjusting the percentage of discount for a product on a monthly basis. Small fluctuations in the prices of raw materials in the previous month are taken into consideration by adjusting the percentage of discount on products which are released to the sales teams or distributors at the start of the month. When the fluctuation in prices of raw materials goes beyond a certain level during the period concerned, list prices of products are revised as and when required. In this way, any increase or decrease in the prices is passed on to end-customers by adjusting the percentage of discount or list prices with a maximum lag of one month. For big project orders, we hedge the requirement of key raw materials in the commodity market.

### **LDC and Wires**

To mitigate the volatility in prices of raw materials, we have a policy of adjusting the list price of a product without changing the discount policy when (i) the fluctuation in the prices of raw materials exceeds a certain level during the period concerned or, (ii) we observe a notable difference between the prices of our products and our competitors'. As such, we can pass on any increase or decrease in the cost of raw materials to our end-customers. For big project orders, we hedge the requirement of key raw materials in the commodity market.

### **Manufacturing Defects and Product Warranties**

We usually provide a guarantee or warranty against manufacturing defects on our products. Our cables and wires typically carry a guarantee period of 12 months from the date of commissioning or 18 months from the date of receipt and acceptance at the consignee's end, whichever is earlier.

Our FMEG products typically carry a warranty period between one to five years. For example, the warranty period for electric fans LED lighting and luminaire is typically one to two years and for switchgears and switches, typically five years.

### **Sales and Marketing Team**

As at June 30, 2018, our sales and marketing team had 1,023 staff.

Our sales and marketing personnel are strategically located in more than 24 cities across India to ensure direct and efficient communication with our customers and timely services. In particular, we have representatives for each of our product segments. Each representative is responsible for sales of products to the customers, increasing the level of new business, costing, negotiation and commercial settlements, monitoring and ensuring profitable business growth while improving the customer relationship. The sales team also takes an active role in winning new business, maintaining current business with customers, promoting new technology products and marketing the same for project acquisitions. Our sales team has built long-term relationships with a number of leading OEMs and has played an important role in helping us attain our position as a vendor of choice of many components for certain leading OEMs.

### **RESEARCH AND DEVELOPMENT**

We place significant emphasis on our research and development capabilities, which is crucial to keep us ahead of our competitors. As at June 30, 2018, we have one R&D center which is NABL ISO 17025 certified, and approximately 90 engineers and technicians working on R&D projects. We also carry out R&D on PVC Compounds, switchgears, electric fans, LED lightings at our manufacturing facilities.

The main objective of our R&D efforts is to manufacture our own components and reduce our dependence on external suppliers. For example, we intend to create a center of excellence for R&D on polymers and have begun the installation of equipment at our R&D center. We also intend for the Ryker Plant to be the copper analysis center for both incoming and out-going raw materials, to ensure that our copper rods meet high quality standards.

Through our R&D efforts, we have developed products such as flame retardant elastomeric compounds, flame retardant chlorosulphonated polyethylene rubber compounds and cathodic protection cables using fluoropolymers and other innovative products such as environmentally friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sector.

## EMPLOYEES

As of June 30, 2018, we employed more than 4,600 full-time employees across the globe. In addition to our full-time employees, we frequently hire workers on a contractual basis, largely for manufacturing and sales.

A breakdown of our full-time employees as of the dates indicated:

Function of Employees	As of March 31,			As of June 30,
	2016	2017	2018	2018
Sales and marketing	845	859	999	1,023
Operations	3,696	3,340	3,163	3,065
Services and Corporate Functions	627	541	557	562
Total	5,168	4,740	4,719	4,650

The total number of full-time employees decreased from 5,168 as of March 31, 2016 to 4,650 as of June 30, 2018 as we sought to rationalize our headcount, especially our operations staff.

In Fiscal 2017, workmen at our Halol plant went on strike for a period of three weeks. The strike did not materially adversely affect our operations as we were able to ramp up production at our Daman facility instead. Since then, we have set up internal committees to address any workmen grievances. Apart from the strike at our Halol plant in Fiscal 2017, we have not experienced any major disputes with our employees.

Our management policies, working environment, career development opportunities and employee benefits are instrumental to maintaining good employee relations and employee retention. We identify, develop and retain our talent through an array of initiatives which include talent acquisition, talent management, learning and development, compensation and benefits, employee engagement and performance management.

Our compensation and benefits team manages our payroll system and ensures that we adhere to the relevant employment laws and statutory requirements. The team has also implemented a process to evaluate our employees annually based on their performance to ensure that our staff are duly recognized and rewarded for their work.

We believe in investing in our staff through internal and external training programmes and our learning management system, “Gurukul”, which identifies our staff’s training needs and assists in the rolling out of training programmes. We intend to continue to recruit and train the appropriate talent in order to ensure a strong workforce and our competitiveness in the market.

## HEALTH, EMPLOYEE SAFETY AND ENVIRONMENT

We see health, employee safety and the environment as one of our top priorities and both a right and a responsibility for all our employees. We take initiatives to reduce the risk of accidents and the environmental impact of our operations.

### Health and employee safety

We are committed to maintaining high standards of workplace health and safety and we regard the safeguarding of such interests as one of our most fundamental responsibilities as an employer. We see safety as both a right and a responsibility for all employees and we aim to become a zero-accident organization. Any mishaps or accidents at our facilities or any emission or leakage from our factory could lead to personal injury, property damage, production loss, adverse publicity and legal claims.

Our safety management team carries out regular safety inspections of our production facilities to ensure compliance with the safety measures. All new production equipment and machinery are required to pass safety tests before commencement of production. Protective devices are installed, and warning signs posted to ensure production equipment and machinery are operated safely. Our production staff are provided with regular training on the operation of production equipment and occupational safety gear.

Other initiatives to ensure workplace safety include regular identification and assessment of risks, implementation of an on-site emergency plan, siren effectiveness inspection at our plants, increasing staff awareness of safe working practices and regular fire drills.

During the last five years prior to the date of this Draft Red Herring Prospectus, save as disclosed in this Draft Red Herring Prospectus, we did not experience any material fire hazard or failure in our production equipment and machinery or other industrial accidents, and we are in compliance with all applicable occupational health and safety laws and regulations in all material respects.

## Environment



In addition to creating initiatives to improve workplace employee safety, we implement initiatives to reduce the environmental impact of our operations such as reducing the usage of plastics and thermal in packaging for greater environmental sustainability. We also comply with required laws on air and water pollution emissions, effluent treatment and solid waste management.

As at the date of this Draft Red Herring Prospectus, we have obtained, or are in the process of renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. Our activities are subject to environmental laws and regulations, which govern, among other things, air emissions, wastewater discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites and natural resource damages. For further details on approvals relating to our business and operations, please see “Government and Other Approvals” on page 538.


## INTELLECTUAL PROPERTY


As at the date of this Draft Red Herring Prospectus, our Company has 77 registered trademarks, which have been registered with the registrar of trademarks under various classes of the Trademarks Act and one copyright with respect to the old logo,





We have filed applications for registration of the trademark in relation to our corporate logo , under classes 9 and 35 of the Trade Marks Act, 1999 (the “Trademarks Act”), which have been accepted by the Registrar of Trademarks and advertised in the journals of the Trademark Registry, and an application for registration of the trademark in relation to our horizontal logo, , class 17, which have been accepted by the Registrar of Trademarks and is pending advertisement in the journals of the Trademark Registry. However, the certification of registration of our corporate logo is pending. We have further filed applications for registration of the trademark in relation to our corporate logo (with the tagline ‘connection zindagi ka’),




, under classes 7, 9, 11, 17 and 35 of the Trademarks Act, which is currently pending. Further, our application for

registration of our corporate logo, , has been objected under class 7 of the Trademarks Act. Additionally, our Company

had also filed an application for registration of the trademark in relation to our corporate logo, , under class 17 of the

Trademarks Act, which was subsequently abandoned by our Company. Moreover, our corporate logo, , is registered under class 11 of the Trademarks Act.


In addition to the above, as on the date of this Draft Red Herring Prospectus, our logo, “POLYCAB”, is registered in the United Kingdom and an application for registration of the “POLYCAB” logo, has been made to the Department of Industry, Nepal, which is currently pending.

The old corporate label, , registered under class 9 of the Trademarks Act is owned and registered in the name of one of our Promoters and the Chairman and Managing Director, Inder T. Jaisinghani. The old corporate logo is currently being used by us for limited aspects of our business such as old packages and on the letterheads of certain invoices raised by us. In addition, we have entered into an assignment deed dated September 28, 2018, in terms of which, the rights, title and interests of Inder T. Jaisinghani and all the benefits in the intellectual properties in connection with the old logo, together with goodwill accrued to them, have been assigned and transferred to our Company. Per this assignment deed, Inder T. Jaisinghani has ratified the use of the old logo by our Company, until the effective date i.e. September 28, 2018.

In addition, there are other trademark applications which are either (i) pending at the objection stage, or (ii) at the advertisement stage.

Our Company has entered into a royalty agreement (“**First Royalty Agreement**”) with a manufacturer, namely, Lite Technology Co. Private Limited, which is engaged in the business of LED lighting, under which we have granted to the




manufacturer a non-exclusive, non-proprietary, non-transferable, revocable license to use our new corporate logo, , registered by our Company under class 11 of the Trademarks Act by way of embossing or printing thereon on the goods manufactured, traded or dealt by such manufacturer.

Likewise, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani and our Company have entered into another royalty agreement (“**Second Royalty Agreement**”, together with the First Royalty Agreement, “**Royalty Agreements**”) with a manufacturer, namely, Thermoflex Cable Industries, which is engaged in the business of instrumentation of cables for usage of old and new corporate logo, by way of embossing or printing thereon on the goods manufactured/traded/dealt by such manufacturer. Under the Second Royalty Agreement, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani has granted a non-exclusive, non-proprietary, non-transferable, revocable license to the manufacturer to use our old label,



, which is owned and registered by Inder T. Jaisinghani and assigned to our Company by way of an assignment deed dated September 28, 2018. Concurrently, under the Second Royalty Agreement, we have granted a non-exclusive, non-

proprietary, non-transferable, revocable license to the manufacturer to use our new corporate logo, , which we have applied for registration under class 9 of the Trademarks Act and has been accepted and advertised in the journals of the trademark registry.

Pursuant to the First Royalty Agreement and the Second Royalty Agreement, the relevant manufacturers shall not use the respective trademarks on goods manufactured, traded and/or dealt by them for aggregate invoice value of more than ₹ 200.00 million and ₹100.00 million, respectively in a financial year and shall be liable to pay a license fee amounting to 1% and 2.5%, respectively, of the value of the invoices issued by the relevant manufacturers. However, there can be no assurance that the relevant manufacturer will not breach the terms of the agreements and infringe on our intellectual property rights, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

For further details, see “*Risk Factors – Internal Risk Factors – We have applied for registration of certain trademark under the Trade Marks Act, 1999*” on page 30 and “*Risk Factors – Internal Risk Factors – The availability of counterfeit products, such as products passed off as our products by others, and any failure to protect or enforce our rights to own or use trademarks and brand name and identity could have an adverse effect on our business and competitive position. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.*” on page 32.

## **CORPORATE SOCIAL RESPONSIBILITY**

Our commitment to corporate social responsibility (“**CSR**”) is demonstrated in how we conduct our business by providing a safe workplace for our employees, minimizing impact to the environment and being a positive corporate citizen in the communities in which we operate by helping people achieve their ambitions. Our CSR programmes and projects extend beyond monetary contributions and feature carefully planned initiatives, which vary with the needs of the communities in which we operate.

Our CSR programmes are focused on the areas of (i) promotion of healthcare and sanitation, where we strive to improve the health and hygiene of society, (ii) promotion of education, where we seek to promote elementary to professional education and support students belonging to weaker sections of society, (iii) empowerment of women, where we seek to promote women empowerment and gender equality, and (iv) rural development, where we collaborate with communities in rural areas and villages to, among others, improve their infrastructure and provide medical assistance.

Our CSR activities are guided by our CSR policy (“**CSR Policy**”), which was approved by our Board on June 16, 2014. The CSR Committee is responsible for (a) formulating and recommending the CSR Policy and expenditure to be incurred on the CSR projects for the Board’s approval, and (b) monitoring the various CSR projects and activities to ensure that they are undertaken in accordance with the CSR Policy.

The CSR Policy provides that our Board shall endeavor that we spend at least 2% of the average net profits made during the immediately three preceding financial years on CSR activities. In addition, any surplus arising out of CSR activities will be utilized only for CSR purposes.

For Fiscals 2016, 2017 and 2018, our CSR expenditures were ₹17.24 million, ₹21.34 million and ₹58.60 million, respectively.

## **INSURANCE**

Our operations are subject to various risks inherent in the manufacturing industry as well as theft, natural disasters, spread of communicable diseases, acts of terrorism and other unforeseen events. We maintain insurance cover for our properties, and our policies cover, among others, protection from fire, special perils, loss of profit, machinery breakdown, burglary, public liability, product liability, product recall and financial loss. We have a Marine Transit Insurance STOP (Sale Turn Over Policy) which covers all types of transit risks for our raw materials and finished goods worldwide. We also maintain a variety of employee

insurance policies such as group personal accident policy, group term plan life insurance policy and workmen compensation policy. We also maintain insurance for our directors' and senior officers' liability up to a cap of ₹250 million for any one claim or in the aggregate for all claims made. We maintain public liability act insurance for some of our plants and also have a commercial general liability policy for all our locations in India (limited to ₹500 million).

Our insurance policies are typically reviewed on an annual basis. We generally insure our assets based on their replacement value, which is generally higher than the carrying value of our assets in our financial statements. Nonetheless, our policies are subject to standard limitations and may not cover all losses incurred by us. We cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See *“Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.”* on page 37 for further information.

## **COMPETITION**

The electricals industry is highly competitive, and we face intense competition both domestically and internationally. The key factors of competition are availability of products, range, quotation response time, post sales services, quality, cost, delivery, development and management.

According to CRISIL, some of our competitors include:

- Wires and cables segment: Apar Industries Ltd, Finolex Cables Ltd, KEI Industries Ltd, Havells India Ltd, Gupta Power Infrastructure Ltd, KEC International Ltd, R R Kabel Ltd and V-Guard Industries Ltd; and
- Consumer electric durables segment: Bajaj Electricals Ltd, Crompton Greaves Consumer Electricals Ltd, Finolex Cables Ltd, Havells India Ltd, Orient Electric Ltd, Surya Roshni Ltd, Usha International Ltd and V-Guard Industries Ltd.

For details, see *“Industry Overview”* beginning on page 132.

## **LEGAL PROCEEDINGS**

For details on any outstanding litigation against our Company, our Subsidiaries and our Directors, see *“Outstanding Litigation and other Material Developments”* beginning on page 529.

## REGULATIONS AND POLICIES

*The following description is an indicative summary of certain sector specific key laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.*

Our company operates in cables and wires, fans, LED lighting, switches, switchgears, fittings, pumps and solar-grid inverters, water heaters and other electronic products.

### **Laws relating to use of standard marks**

#### **The Bureau of Indian Standards Act, 2016 (“BIS Act”)**

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardisation, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer’s compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out *inter alia*, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

In addition to the above, the BIS Standards Related with Manufacturer of Wires are also applicable to our Company.

#### **The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 (the “Quality Control Order”)**

The Quality Control Order prohibits the manufacture, storage for sale, sale and distribution of electrical wires, cables, appliances, protection devices (including low voltage switchgear and fuses) that do not conform to the standards specified in such order and that do not bear that standard mark issued by the BIS. The Quality Control Order directs a manufacturer of electric wires, cables and protection devices, amongst others, to commence manufacture of such electric equipment only after obtaining a license from the BIS for the use of standard mark. Further, it requires any sub-standard or defective electrical wires, cables, appliances, protection devices or accessories to be deformed by such manufacturer beyond use and disposed of as scrap. The Central Government is authorized to appoint an officer who is empowered to require any person engaged in the manufacture, storage, sale or distribution of electrical equipment to furnish information and samples in relation to the electric equipment manufactured, stored, sold or distributed, as the case may be, inspect any books or documents and search any premises and seize electric equipment in case of contravention of the Quality Control Order.

#### **The Legal Metrology Act, 2009 (“Legal Metrology Act”)**

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Legal Metrology Act and rules framed thereunder regulate *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the Legal Metrology Act. Non-compliance or any violation under the Legal Metrology Act, may result in *inter alia* a monetary penalty on the manufacturer or seizure of goods.

### **Safety Laws**

#### **The Indian Boilers Act, 1923 (“Boilers Act”)**

The Boilers Act regulates the use of Boilers in industries with the aim of maintaining safe working conditions and quality of boilers. The Boilers Act prohibits the use of boilers that have not been registered and certified under it. The holder of a certificate for use of boiler is obligated to produce the same before the District Magistrate, Commissioner of Police or Magistrate of the first class having jurisdiction in the area in which the boiler is located, as and when required. Under the Boilers Act, use of uncertified boilers or use in contravention of the manner specified, is a punishable offence.

In addition to the above, the Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Gujarat Fire Prevention and Life Safety Measures Act, 2013 and the Explosives act 1884 are also applicable in relation to the manufacturing activities carried out by our Company.

## **Environmental Laws**

### **The Environment (Protection) Act, 1986 (“Environment Act”)**

The Environment Act has been enacted with the objective of protection and improvement of the environment. Under the Environment Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. The Environment Act also contains provisions with respect to furnishing information to authorities in certain cases, the establishment of environment laboratories and the appointment of government analysts. The Ministry of Environment and Forest (“MoEF”) issued notifications under the Environment Act in 1994, 1999 and 2006 (collectively, the “EIA Notifications”), prescribing *inter alia*, the procedure for environmental impact assessments for the commencement, expansion or modernization of industrial or mining operations.

### **Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board (“State PCB”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

### **Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorisation from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

### **The Batteries (Management and Handling) Rules, 2001 (“Batteries Rules”)**

The Batteries Rules, apply to every manufacturer, importer, assembler, dealer, recycler, auctioneer, consumer and bulk consumer involved in manufacture, processing, sale, purchase and use of batteries or components. If an entity manufactures products that use lead acid batteries as a component, it will be governed by the Batteries Rules and will have to comply with the necessary safety arrangements as mentioned thereunder.

### **E-Waste (Management and Handling) Rules, 2016 (“E-Waste Rules”)**

Under the E-Waste Rules, a manufacturer is responsible for the collection of E-waste generated during the manufacture of any electrical and electronic equipment and channelise it for recycling or disposal. Further, the E-Waste Rules also require that relevant authorisations must be obtained from the state pollution control boards, where manufacturing activities resulting in generation of E-Waste, are carried out.

### **Plastic Waste Management Rules, 2016 (“Plastic Waste Rules”)**

The Plastic Waste rules apply to manufacturers of plastic, users involved in generation of plastic as a raw material as well as individuals and institutions that generate plastic waste. Any entity or institution that generates plastic waste is responsible for segregating and handling the waste in the manner as prescribed under the rules. Further, the Plastic Waste Rules seek to minimise and regulate of plastic and ensure proper collection and disposal of plastic waste.

### **The Noise Pollution (Regulation & Control) Rules, 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment Act.

## **Laws Relating to Employment**

### **Factories Act, 1948 (“Factories Act”)**

The Factories Act and the rules framed thereunder by various State governments, require registration of production facilities and regulates their operations in relation to matters such as health and safety measures to be adopted and welfare measures for persons working in production facilities. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of hazardous materials.

Certain additional labour and employment laws in India, including Contract Labour (Regulation and Abolition) Act, 1970, Industrial Disputes Act, 1947, Minimum Wages Act, 1948, Employees’ State Insurance Act, 1948, Employees’ Provident Fund and Miscellaneous Provisions Act, 1952, and the shops and establishments legislations of various States which regulate the working conditions for employees are also applicable for day-to-day operations.

### **Miscellaneous**

In addition to the above, our Company is subject to various laws and regulations including Competition Act, 2002, Companies Act, 2013, Indian Contract Act, 1872, Negotiable Instruments Act, 1881, Registration Act, 1908, Indian Stamp Act, 1899, Sale of Goods Act, 1930, Income Tax Act, 1961, Goods and Service Act, 2016 and other tax specific laws, Arbitration and Conciliation Act, 1996, Insolvency and Bankruptcy Code, 2016, Foreign Exchange Management Act, 1999 and rules and regulations thereunder, Foreign Trade (Development and Regulation) Act, 1992, Foreign Contribution (Regulation) Act, 2010, Customs Act, 1962, Patents Act, 1970, and Trade Marks Act, 1999, and Copyright Act, 1957.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

In 1964, Late Thakurdas Jaisinghani had established 'Sind Electric Stores', which dealt in various electrical products including fans, lighting, switches, and wires. Subsequently, the family business was managed from 1968 by Girdhari T. Jaisinghani, Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani being sons of Late Thakurdas Jaisinghani. Ajay T. Jaisinghani and Ramesh T. Jaisinghani along with certain members of the promoter group founded a partnership firm in the name of 'Thakur Industries' under the Indian Partnership Act, 1932. Subsequently, the partners of 'Thakur Industries' entered into a lease agreement with MIDC in 1975 in respect of a parcel of land at Andheri, Mumbai for the purposes of setting up a factory for manufacturing cables and wires which was in operation until 1984. In 1983, 'Polycab Industries', a partnership firm founded by Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani, and Girdhari T. Jaisinghani, was registered as a small scale industrial unit by the Directorate of Industries, Government of Gujarat in respect of a factory located at Halol for manufacturing/processing activity of 'PVC insulated wires and cables, copper and aluminium and bare copper wire.

In 1998, 'Polycab Industries' was subsequently converted into a private limited company as 'Polycab Industries Private Limited' under the Companies Act, 1956. Polycab Industries Private Limited was subsequently amalgamated with our Company in 2011.

On January 10, 1996, our Company was incorporated as 'Polycab Wires Private Limited' at Mumbai as a private limited company under the Companies Act, 1956. On June 30, 2000, our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word 'private' was struck off from the name of our Company with effect from June 30, 2000. Thereafter, our Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word 'private' was added in the name of our Company with effect from June 15, 2001. Later, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"), recording the change of our Company's name to 'Polycab Wires Limited'. Thereafter, the name of our Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited' to reflect the overall line of business in which the Company is engaged such as cables and wires, FMEG, EPC, etc., using the 'Polycab' brand, and a fresh certificate of incorporation dated October 13, 2018 was issued by the RoC.

For further details, see "Our History and Other Corporate Matters – Major events and milestones in relation to our Company" on page 215.

As on the date of this Draft Red Herring Prospectus, our Company has 10 Shareholders.

### Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, geographical presence, growth, competition, products, market of each segment, suppliers, customers, capacity build-up, location of plant, exports and imports due to foreign operations, technology, environmental issues, and managerial competence, see "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 181, 226 and 504, respectively.

### Changes in Registered Office

The following table sets forth details of the changes in the Registered Office of our Company since the date of its incorporation:

Date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
January 10, 1999	The registered office of our Company was changed from 6, Kerawala Building, Second Floor, 61 Mangaldas Road, Lohar Chawl, Bombay 400 002 to Hico House, First Floor, 771, Pandit Satwalekar Marg, Mahim, Mumbai 400 016.	Administrative convenience
February 10, 2014	The registered office of our Company was changed from Hico House, First Floor, 771, Pandit Satwalekar Marg, Mahim, Mumbai 400 016 to E-554, Greater Kailash – II, New Delhi 110 048.	To give thrust to the new businesses of the Company and to manage the affairs of the newly acquired entity in Roorkee for availing excise benefits.

## Main Objects of our Company

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

- I* “To buy, sell, manufacture, design, import, export, process of Aluminium, Copper, Steel, irons and metals of all kinds including alloys and Metal Composites, as well as to buy, sell, design, manufacture, export, import all kinds of insulated wires and cables, sheathed wires- P.V.C. cables, flexible wire and cables, power and control cables, XLPE, FRLS CABLES, Instrumentations, and Signaling cables and to buy, sell, manufacture, design, import, export, process of all kinds of equipments / instruments used in the Power Infrastructure Industry including but not exclusively, Transformers, Switchgears, Motors, Switches, Light and Fittings, Panels, overhead conductors, sub-stations and related EPC Contract Activities.
- IA* To buy, sell, manufacture, design, import, export, process, anneal, bare aluminum and copper wire, plastics / rubber insulated aluminum conductor and copper conductor, polythene insulated jelly filled cables (PIJF), optical fiber cables, armoured and unarmoured power and control cable, house wires, high tension cables, telecommunication cables, data transmission cables
- IB* To carry on the business of manufacturers, importers, exporters, dealers and distributors of electrical and electronic goods, Electrical Cables, Wires, instruments, apparatus, generators, transformers, futurities and fittings, machinery and equipments operated by electricity, other domestic, commercial and industrial appliances, goods and equipments used in generation, transmission and distribution of electricity and components, parts, accessories (all allied products of all and or any kind of the aforesaid items.
- IC* To carry on the business of assembling, fabricating, repairing, processing or altering of the electrical and electronic articles and apparatus of every nature and description including the electrical and electronic household /domestic items.
- ID* To carry on the business of manufacturing, buying, selling, distributing, importing, exporting and dealing in all types of Plastics, Polymers, PVC Compounds, elastomer, Polypropylene, Polyethylene, Bakelite, thermoplastic and raw materials for them.
- IE* To carry on the business of manufacturers, importers, exporters, dealers and distributors of Electrical Cables, Wires, Instruments, wires made of aluminum, copper, steel, iron, and other metals including Jelly Filled Cables and components.”

The ‘main objects’ clause and ‘objects incidental or ancillary to the attainment of main objects’ clause, as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

## Amendments to our Memorandum of Association

The following table sets forth details of the amendments to the Memorandum of Association other than the authorised share capital clause, since the incorporation of our Company:

<b>Date of Shareholders’ resolution / effective date</b>	<b>Particulars</b>
June 30, 2000	The name of our Company was changed from ‘Polycab Wires Private Limited’ to ‘Polycab Wires Limited’ under section 43A(1) of the Companies Act, 1956, and the word ‘private’ was struck off from the name of our Company
June 15, 2001	The name of our Company was changed from ‘Polycab Wires Limited’ to ‘Polycab Wires Private Limited’ under section 43A(2A) of the Companies Act, 1956, and the word “private” was added in the name of our Company
September 1, 2010	The existing main object clause III(A)(1) of the MoA was altered to include the following clause:  <i>III(A)I</i> To buy, sell, manufacture, design, import, export, process of Aluminium, Copper, Steel, irons and metals of all kinds including alloys and Metal Composites, as well as to buy, sell, design, manufacture, export, import all kinds of insulated wires and cables, sheathed wires- P.V.C. cables, flexible wire and cables, power and control cables, XLPE, FRLS CABLES, Instrumentations, and Signaling cables and to buy, sell, manufacture, design, import, export, process of all kinds of equipments / instruments used in the Power Infrastructure Industry including but not exclusively,

Date of Shareholders' resolution / effective date	Particulars
	<i>Transformers, Switchgears, Motors, Switches, Light and Fittings, Panels, overhead conductors, sub-stations and related EPC Contract Activities.</i>
July 10, 2012	<p>a. The main object clause III was altered and clauses 1A to 1E were inserted:</p> <p><i>1A To buy, sell, manufacture, design, import, export, process, anneal, bare aluminum and copper wire, plastics / rubber insulated aluminum conductor and copper conductor, polythene insulated jelly filled cables (PIJF), optical fiber cables, armoured and unarmoured power and control cable, house wires, high tension cables, telecommunication cables, data transmission cables</i></p> <p><i>1B To carry on the business of manufacturers, importers, exporters, dealers and distributors of electrical and electronic goods, Electrical Cables, Wires, instruments, apparatus, generators, transformers, futurities and fittings, machinery and equipments operated by electricity, other domestic, commercial and industrial appliances, goods and equipments used in generation, transmission and distribution of electricity and components, parts, accessories (all allied products of all and or any kind of the aforesaid items.</i></p> <p><i>1C To carry on the business of assembling, fabricating, repairing, processing or altering of the electrical and electronic articles and apparatus of every nature and description including the electrical and electronic household /domestic items.</i></p> <p><i>1D To carry on the business of manufacturing, buying, selling, distributing, importing, exporting and dealing in all types of Plastics, Polymers, PVC Compounds, elastomer, Polypropylene, Polyethylene, Bakelite, thermoplastic and raw materials for them.</i></p> <p><i>1E To carry on the business of manufacturers, importers, exporters, dealers and distributors of Electrical Cables, Wires, Instruments, wires made of aluminum, copper, steel, iron, and other metals including Jelly Filled Cables and components.”</i></p> <p>b. New sub-clauses 94 to 100 were inserted in Clause III(C) under “Other Objects” of the MoA:</p> <p><i>94. “To manufacture, assemble, repair, buy, sell, import, export, hire, exchange, alter or improve or otherwise deal in all kinds of, electrical goods, instruments, appliances arid apparatus of every kind and description including lighting fittings and effects of every kind and description, machinery and equipment, transformers, switchgear, motors, fans all parts, components, accessories and raw. materials and all articles, goods and things required for or capable of being used for, or in connection with the generation, transformation, propagation, distribution, supply, measurement, accumulation and employment of electricity, heat, light, gas, atomic, solar and other power for any purposes whatsoever, panels, electric motors, generators, electric magnets motor control centers, power control centers, distribution boards, rising mains, bus trunking, overhead bus bar systems, feeder pillars, lighting fixtures, exhaust fan, air coolers, water heaters, wiring accessories, iron clad switches, fuse units, distribution, boxes, cut-outs, wires and cables all aluminium conductor and aluminium conductor steel- reinforced transformers, G.L.C lamps, fancy shades, heating elements, bulbs, fluorescent tube and its accessories including chokes, starters, switches and condensers.</i></p> <p><i>95. To manufacture, assemble, repair, buy, sell, import, export, hire, exchange, alter or improve or otherwise deal in non-electrical, scientific, precision, optical, surgical, measuring industrial and other instruments, laboratory and medical apparatus and equipments, industrial, commercial, domestic, cooking, heating, lighting and other appliances, all parts, components, accessories and raw materials thereof.</i></p> <p><i>96. To design, manufacture, test, assemble, erect, commission, repair, buy, sell, import, export, hire, exchange, alter or improve or otherwise deal in all kinds of engineering goods such as high, medium and low tension power transmission line polygonal poles, AAC/ACSR/GI conductors, lighting poles - decorative, conical, octagonal or stepped type, fixed platform type High Mast lighting system with lantern carriage,</i></p>



<b>Date of Shareholders' resolution / effective date</b>	<b>Particulars</b>
	<p><i>head frames, lowering and raising winches, base hinged lowering and raising masts and its manually or electrically operated and hydraulically powered counterbalances, mobile lighting masts, transmission towers, lattice masts, T.V. towers, railway electrification, structures, electric substation structures, cable trays, electrical junction boxes of any type and instruments, equipments, apparatus, machinery and all articles, goods and materials required for the purpose of area illumination and for floodlighting or in connection with generation, distribution, supply of electricity or for any other purpose whatsoever.</i></p> <p>97. <i>To manufacture, assemble, repair, buy, sell, import, export, hire, exchange, alter or improve or otherwise deal in electrical, metallic, accessories and components, apparatus, tools, appliances, hardware products and as general merchants.</i></p> <p>98. <i>To buy, sell, import, export, manufacture, manipulate, treat, prepare and deal in merchandise, products, substances, commodities, articles and things belonging to any such business and used in connection therewith or with any invention, patent or privilege for the time being belonging to the company and to transact and carry on business as agents for such business.</i></p> <p>99. <i>To carry on the business of electrical and general engineers, including founders, smiths, machinists, manufacturers and contractors, suppliers of electricity, heat, light, gas, atomic, solar and other power and to erect, install, construct, establish and run, maintain, alter, repair, pull down and restore, either alone or jointly with any other person or Companies, works of all descriptions including factories, mills, workshops, laboratories and buildings.</i></p> <p>100. <i>To carry on the business of manufacture/generate electrical energy, by use of gas, wind, solar, thermal, hydro, atomic or any other resources and/or trading thereof, and/or transmit, distribute, convey or supply the same by whatever means to any user, trader or any person whomsoever in any part of India or outside India."</i></p>
February 10, 2014	Clause II of the Memorandum of Association was altered for shifting of our Registered Office from the 'State of Maharashtra' to the 'State of Delhi', pursuant to the order of the Regional Director, Western Region, MCA, Mumbai, dated February 10, 2014.
August 29, 2018	The name of our Company was changed from 'Polycab Wires Private Limited' to 'Polycab Wires Limited' due to conversion from a private company to a public company.
October 13, 2018	The name of our Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited' to reflect the overall line of business in which the Company is engaged such as cables and wires, FMEG, EPC, etc., using the 'Polycab' brand.

For details of changes in the authorised share capital of our Company, see "*Capital Structure – Changes in the Authorised Share Capital of our Company*" on page 97.

### Major events and milestones in relation to our Company

The following table sets forth details of the major events and milestones in the history of our Company:

<b>Calendar year</b>	<b>Particulars</b>
1996	Our Company was incorporated on January 10, 1996 at Mumbai
1998	Our Company set up a manufacturing facility for PVC insulated power cables house wires, polyethylene insulated jelly filled telephone cables, optical fibre cables, switch board cables and quad cables at Daman.
2008	The turnover of our Company increased from over ₹ 10,000 million in Fiscal 2006 to over ₹ 21,000 million in Fiscal 2008
2009	Investment from IFC in our Company of ₹ 4,017.50 million
2011	Polycab Industries Private Limited was amalgamated into our Company pursuant to a scheme of amalgamation
2011	The turnover of our Company increased to over ₹ 31,000 million
2013	Our Company entered into the switch and switchgears segment

Calendar year	Particulars
2014	Our Company entered into the fans and LED lighting segment
2014	Our Company set up manufacturing facilities for MCBs at Nashik, Maharashtra
2016	Our Company set up manufacturing facilities for ceiling fans at Roorkee, Uttarakhand
2016	Our Company entered into an agreement with Trafigura Pte. Limited to form a joint venture, Ryker Base Private Limited for setting up a copper rod manufacturing plant
2016	Our Company set up a modernized facility for manufacture of higher voltage cables up to 220 kV at Halol, Gujarat
2017	Our Company entered into an agreement with former promoters of Techno Electromech Private Limited in respect of acquisition of a joint venture, Techno Electromech Private Limited for manufacturing LED lighting products

#### Awards and Accreditations in last five years

The following table sets forth details of the awards and accreditations in last five years given to our Company:

Calendar year	Award / Certification / Recognition
2015	29th Annual Chapter Convention on Quality Concepts - CCQC – 2015, Gold Trophy
2015	29th Annual Chapter Convention on Quality Concepts - CCQC – 2015, Silver Award
2015	29th Annual Chapter Convention on Quality Concepts – CCQC, Excellence Award
2014	28th Annual Chapter Convention on Quality Concepts - CCQC – 2014, Gold Trophy
2014	28th Annual Chapter Convention on Quality Concepts - CCQC – 2014, Silver Trophy
2014	28th National Convention on Quality Concepts - NCQC –2013, Par Excellence Award
2014	28th National Convention on Quality Concepts – NCQC, Excellence Award

#### Our Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

#### Our Subsidiaries and Joint Ventures

As of the date of this Draft Red Herring Prospectus, our Company has three Subsidiaries and two Joint Ventures. For details regarding our Subsidiaries and Joint Ventures, see “*Our Subsidiaries and Joint Ventures*” on page 222.

#### Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt as applicable, see “*Capital Structure*” and “*Financial Indebtedness*” beginning on pages 97 and 527, respectively.

#### Injunctions or restraining order against our Company

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining order against our Company.

#### Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets

Except as stated below, our Company has not undertaken any merger, amalgamation, demerger, or revaluation of assets.

a) ***Scheme of amalgamation between our Company, Polycab Industries Private Limited (“Polycab Industries”), Polycab Cables Private Limited (“Polycab Cables”), BNK Plastics Private Limited (“BNK Plastics”) and Polycab Industries Daman Private Limited (“Polycab Industries Daman”)***

On March 24, 2011, our Board of Directors approved a scheme of amalgamation (“**Scheme**”) under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Polycab Industries, Polycab Cables, BNK Plastics, and Polycab Industries Daman (collectively, “**Transferor Companies**”) with our Company in terms of the Scheme. The objective of the Scheme was to *inter-alia*, enable creation of a larger entity and derive optimal management, synergy benefits, and enable cost saving. The appointed date of the Scheme was April 1, 2010. As of the effective date of the Scheme, being December 31, 2011 (“**Effective Date**”), the entire business and undertakings of the Transferor Companies including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme, our Company issued and allotted Equity Shares, credited as fully paid up, to the extent indicated below, to the shareholders of Transferor Companies holding fully paid up equity shares in Transferor Companies in the following proportion:

- (i) 100 fully paid up Equity Shares of our Company issued and allotted for every 521 equity shares of ₹ 10 each held in Polycab Industries Daman.

- (ii) 1,000 fully paid up Equity Shares of our Company issued and allotted for every 1,846 equity shares of ₹ 10 each held in Polycab Industries.
- (iii) 100 fully paid up Equity Shares of our Company issued and allotted for every 494 equity shares of ₹ 10 each held in Polycab Cables.
- (iv) 100 fully paid up Equity Shares of our Company issued and allotted for every 224 equity shares of ₹ 10 each held in BNK Plastics.

In addition, the authorised share capital of the Transferor Companies was combined into the authorised share capital of our Company with effect from the Effective Date. On December 2, 2011, the High Court of Bombay approved the Scheme.

**b) *Scheme of amalgamation between our Company and Polycab Cables Industries Private Limited***

On July 12, 2013, our Board of Directors approved a scheme of amalgamation (“**Scheme**”) under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Polycab Cables Industries Private Limited (“**Transferor Company**”) with our Company in terms of the Scheme. The objective of the Scheme was to *inter-alia*, consolidate the business and lead to synergies in operation, leverage combined assets and build a stronger sustainable business, and enable cost saving. The appointed date of the Scheme was April 1, 2013. As of the effective date of the Scheme, being February 14, 2014 (“**Effective Date**”), the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme, the Transferor Company being the wholly owned subsidiary of our Company, no Equity Shares of our Company was allotted in exchange of our Company’s holding in the Transferor Company. In addition, the authorised share capital of the Transferor Company was combined into the authorised share capital of our Company with effect from the Effective Date. On January 24, 2014, the High Court of Bombay approved the Scheme.

**c) *Scheme of amalgamation between our Company, Jaisingh Wires Private Limited (“Jaisingh Wires”), Polycab Wires Industries Private Limited (“Polycab Wires Industries”), Polycab Electrical Industries Private Limited (“Polycab Electrical Industries”), Datar Nouveau Energietechnik Limited (“Datar Nouveau”) and Polycab Electronics Private Limited (“Polycab Electronics”)***

On May 7, 2015, our Board of Directors approved a scheme of amalgamation (“**Scheme**”) under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and applicable provisions of Companies Act, 2013 for amalgamation of Jaisingh Wires, Polycab Wires Industries, Polycab Electrical Industries, Datar Nouveau (acquired by our Company in 2014), and Polycab Electronics (collectively, “**Transferor Companies**”) with our Company in terms of the Scheme. The appointed date of the Scheme was April 1, 2014. As of the effective date of the Scheme, being May 22, 2016 (“**Effective Date**”), the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. The objective of the Scheme was to *inter-alia*, simplify and consolidate the manufacturing activities and operations of the Transferor Companies into a single company for different product categories, and to integrate technical, operational, financial and other expertise and resources. In accordance with the Scheme, the Transferor Companies being the wholly owned subsidiaries of our Company, no Equity Shares of our Company were allotted in exchange of our Company’s holding in the Transferor Companies. In addition, the authorised share capital of the Transferor Companies was combined into the authorised share capital of our Company with effect from the Effective Date. The High Court of Bombay approved the Scheme by its order dated February 26, 2016 and the High Court of Delhi approved the Scheme by its order dated March 18, 2016.

**Acquisition of Subsidiaries**

- a) Our Company has acquired Datar Nouveau Energietechnik Limited (“**Datar Nouveau**”) by purchasing its equity shares on March 1, 2014. Datar was subsequently amalgamated into our Company in 2016. For details, see “*History and Certain Corporate Matters - Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets - Scheme of amalgamation between our Company, Jaisingh Wires Private Limited (“Jaisingh Wires”), Polycab Wires Industries Private Limited (“Polycab Wires Industries”), Polycab Electrical Industries Private Limited (“Polycab Electrical Industries”), Datar Nouveau Energietechnik Limited (“Datar Nouveau”) and Polycab Electronics Private Limited (“Polycab Electronics”)*” on page 217.

## Key shareholders' agreement and other agreements

- (a) **Shareholders' agreement ("SHA") and subscription agreement ("SSA"), and option agreement ("OA"), each dated June 25, 2009 among our Company, IFC, our Promoters and certain of our Promoter Group, namely, Reina R. Jaisinghani and Raju G. Jaisinghani (collectively, "Parties"), (SHA, SSA and OA are collectively referred to "IFC Agreements"), and amendment cum termination agreement dated September 28, 2018 ("Amendment cum Termination Agreement") entered among the Parties**

Pursuant to the IFC Agreements, IFC has made investments into our Company and holds 21,176,446 Equity Shares of our Company, constituting 15% of the Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus. Pursuant to the SSA, IFC initially subscribed to (i) 5,573,770 Equity Shares for an aggregate consideration of ₹ 2,317.50 million, and (ii) 17,000,000 FCCDs of our Company for an aggregate consideration of ₹ 1,700 million, which were converted into 5,014,453 Equity Shares at an issue price of ₹ 339.02 per Equity Share on December 28, 2012.

Further, the SHA, *inter alia*, sets out the rights and obligations amongst the parties thereto, and provides certain rights, subject to certain terms and conditions, to IFC including the following:

- (i) pre-emptive rights in case of issue of any Equity Shares or any securities convertible into Equity Shares of our Company subject to certain terms and conditions; and
- (ii) Tag-along rights in respect of the Equity Shares proposed to be transferred by the Promoters and certain of our Promoter Group, subject to certain terms and conditions.

In accordance with the terms of the Amendment cum Termination Agreement, all special rights available to IFC under the SHA and Option Agreement will automatically terminate upon listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, (without requiring any further action by any party) except for, *inter alia*, the right of IFC to nominate one Director on our Board, till the time IFC continues to hold at least 5% of the issued and fully paid-up equity share capital of our Company (on a fully diluted basis) ("**Right to Nominate**"). The Right to Nominate shall be exercisable by IFC only after obtaining the approval of the Shareholders through a special resolution in a general meeting of our Company held after the listing of the Equity Shares on the Stock Exchanges. Further, the Amendment cum Termination Agreement also notes that our Company has adopted certain covenants in relation to certain matters such as anti-corruption, environment and related reporting through a resolution of the Board which will be complied with post consummation of the Offer.

For details, see "*Main Provisions of the Articles of Association*" on page 616.

The Amendment cum Termination Agreement will automatically stand terminated, upon earlier of the following: (i) if the IPO does not complete such that all the Equity Shares are not listed on a recognised stock exchange of India on or before March 31, 2019 or such other date as may be mutually agreed amongst the parties, (ii) IFC no longer holds any Shares or Share Equivalents in the Company, (iii) by the mutual written agreement of the Parties; or (iv) if the Offer including this Draft Red Herring Prospectus, the Red Herring Prospectus or the Prospectus, filed in relation to the Offer, as the case may be, is withdrawn.

- (b) **Joint Venture agreement dated October 21, 2015 ("Dowell's Agreement") among our Company, Jayantibhai Shankarbhai Patel, Divya Jayantibhai Patel (collectively, "Patel Family"), and Dowell's Elektro Werke, Dowell's Electricals and D.J. Electricals Private Limited (collectively, "Dowell's Group")**

Pursuant to the Dowell's Agreement, the parties constituted a new company in the name of 'Dowells Cable Accessories Private Limited' ("**Dowells Cable**") incorporated under the Companies Act, 2013, having its registered office at Mumbai, which is also our subsidiary. Dowells Cable is involved in the business of *inter alia*, manufacturing, designing, importing, exporting, of soldering or other types of cable sockets for electrical wires, connectors and accessories ("**Business**"). Our Company, Jayantibhai Shankarbhai Patel, and Divya Jayantibhai Patel agreed to subscribe to such number of shares constituting 51%, 24.5%, and 24.5%, respectively, of the paid-up share capital of Dowells Cable. Our Company and Patel family have equal seats on the board of directors of Dowells Cable. In any event, no transfer of shares in Dowells Cable are allowed without the prior written consent of the other party. It is further agreed that Patel family shall be entitled to receive the book value of their share capital and share of reserve and surplus standing in Dowells Cable, at the time of their exit. Further, the minimum value of equity shares shall be considered at face value, and the maximum value of their proportionate share shall be the net worth of Dowells Cable (Net worth per share being Net Asset Value). In addition, our Company shall arrange debt finance as and when required by Dowells Cable. Further, during the currency of the Dowell's Agreement, our Company and the Patel Family, are prohibited from *inter alia*, engaging, directly or indirectly, in the business of a nature similar to the Business of Dowells Cable.

(c) **Framework agreement dated February 7, 2015 (“Tirupati Agreement”) among our Company, Tirupati Trademarks Private Limited (“Tirupati Trademarks”) and Tirupati Reels**

Pursuant to the Tirupati Agreement, the parties constituted a new company in the name of ‘Tirupati Reels Private Limited’ incorporated under the Companies Act, 2013, having its registered office at New Delhi, which is also our subsidiary. Tirupati Reels is involved in the business of *inter alia*, manufacturing, exporting, importing, dealing and distributing the reels, drums, pallets, packaging material made of wood, steel or any articles and its by-products (collectively, “**Products**”). Our Company and Tirupati Trademarks agreed to subscribe to such number of shares constituting 55% and 45%, respectively, of the paid-up share capital of Tirupati Reels. Our Company and Tirupati Trademarks have equal seats on the board of directors of Tirupati Reels, including the chairman of Tirupati Reels to be appointed by our Company, and the managing director and vice-chairman to be appointed by Tirupati Trademarks. In terms of the Tirupati Agreement, our Company is required to *inter-alia*, (i) import and supply adequate timber logs and sawn timber on actual cost basis, (ii) source all requirements of the Products from Tirupati Reels, once the project is ready for commercial production, (iii) meet all the applicable export related obligations of Tirupati Reels under Export Promotion capital Goods Scheme of the GoI, and (iv) meet funding requirements, as and when required by Tirupati Reels.

### **Investment Agreements**

Other than as provided below, our Company has not entered into any investment agreement within two years before the date of this Draft Red Herring Prospectus:

(a) **Joint venture agreement dated December 22, 2016 (“Ryker Base JV Agreement”) amongst our Company, Trafigura Pte. Limited (“Trafigura”) and Ryker Base Private Limited (“Ryker Base JV”)**

Pursuant to the Ryker Base JV Agreement, our Company and Trafigura agreed to subscribe to such number of equity shares in Ryker Base JV (formerly, a wholly owned subsidiary of our Company) such that each of them respectively owns 50% of the issued share capital of Ryker Base JV. Our Company and Trafigura have equal seats on the board of directors of Ryker Base JV. The purpose of the Joint Venture was to *inter alia* undertake the business of manufacture, sale and distribution of copper rods and related products. The equity shares held by our Company and Trafigura in Ryker Base JV are locked-in for a period of (i) five years from the date on which the copper rod plant commences production, or (ii) the date falling six years and six months after the completion date (which is 30 business days from the date of offer to subscribe to the equity shares of Ryker Base JV), whichever is earlier, (“**Lock-in Period**”), subject to certain terms and conditions. Further, after the Lock-in Period, the remaining shareholder (our Company or Trafigura, as the case may be) shall have the right of first offer to purchase the shares of the disposing shareholder (our Company or Trafigura, as the case may be). In addition, the remaining shareholder will also have a right to tag-along and sell its shares to a third-party, subject to certain terms. Further, after the expiry of Lock-in period, Trafigura shall have an option of requiring our Company to purchase all the shares held by Trafigura or its affiliates in the Ryker Base JV, subject to certain terms. In any event, no transfer of shares in Ryker Base JV is allowed without the prior written consent of the other party. The Ryker Base JV Agreement will terminate upon either of the parties, or any third party, acquiring all the issued and allotted shares of the Ryker Base JV.


(b) **Joint Venture agreement dated March 9, 2017 (“Techno JV Agreement”) amongst our Company, Techno Electromech Private Limited (“Techno”) and the former promoters of Techno (“Sponsors”)**

Pursuant to the Techno JV Agreement, our Company agreed to pay a consideration aggregating to ₹ 70,200,000 subscribe to 540,000 equity shares to be issued and allotted by Techno such that our Company and the Sponsors hold 50% each of the equity share capital immediately following the subscription. Our Company and the Sponsors have equal seats on the board of directors of Techno. Techno is engaged in the business of *inter alia* manufacturing of light emitting diodes, lighting and luminaires, and LED drivers (“**Business**”). The equity shares held by our Company and the Sponsors in Techno are locked-in for a period of five years from the date of signing the Techno JV Agreement, (“**Lock-in Period**”). Further, after the Lock-in Period, the remaining shareholder (our Company or the Sponsors, as the case may be) shall have the right of first offer to purchase the shares of the disposing shareholder (our Company or the Sponsors, as the case may be). In any event, no transfer of shares in Techno is allowed without the prior written consent of the other party. Further, after the Lock-in Period, the remaining shareholder shall have the right of first offer to purchase the shares of the disposing shareholder. In addition, the remaining shareholder will also have a right to tag-along and sell its shares to a third-party, subject to certain terms. In any event, no transfer of shares in Techno is allowed without the prior written consent of the other party. Further, as per the Techno JV Agreement, our Company and the Sponsors, are prohibited from *inter alia* carrying on any activity or business, directly or indirectly, which competes with the Business of Techno, and solicitation and business dealings with the customers and clients of Techno.


### **Other Agreements**


Except as disclosed below, our Company has not entered into any material contracts in the last two years which is not in ordinary course of business or is intended to be carried out by our Company.

We have entered into an assignment deed dated September 28, 2018, in terms of which, the rights, title and interests of Inder T. Jaisinghani and all the benefits in the intellectual properties in connection with our old corporate label, registered under class 9 of the Trademarks Act, together with goodwill accrued to them, have been assigned and transferred to our Company by Inder T. Jaisinghani, in whose name such old corporate label is registered. Per this assignment deed, Inder T. Jaisinghani has ratified the use of the old logo by our Company, until the effective date i.e. September 28, 2018. The old corporate logo is currently being used by us for limited aspects of our business, such as old packages and on the letterheads of certain invoices raised by us.

We have entered into a royalty agreement dated September 28, 2018, with effect from April 1, 2018 (“**First Royalty Agreement**”) with a manufacturer, namely, Lite Technology Co. Private Limited, which is engaged in the business of LED lighting, under which we have granted to the manufacturer a non-exclusive, non-proprietary, non-transferable, revocable license to use our new corporate logo, , registered by our Company under class 11 of the Trademarks Act by way of embossing or printing thereon on the goods manufactured, traded or dealt by such manufacturer.

Likewise, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani and our Company have entered into another royalty agreement dated September 28, 2018, with effect from April 1, 2018 (“**Second Royalty Agreement**”, together with the First Royalty Agreement, “**Royalty Agreements**”) with a manufacturer, namely, Thermoflex Cable Industries, which is engaged in the business of instrumentation of cables for usage of old and new corporate logo, by way of embossing or printing thereon on the goods manufactured/traded/dealt by such manufacturer. Under the Second Royalty Agreement, our Promoter and Chairman and Managing Director, Inder T. Jaisinghani has granted a non-exclusive, non-proprietary, non-transferable,

revocable license to the manufacturer to use the old logo, , which is owned and registered by Inder T. Jaisinghani and assigned to our Company by way of an assignment deed dated September 28, 2018. Concurrently, under the Second Royalty Agreement, we have granted a non-exclusive, non-proprietary, non-transferable, revocable license to the manufacturer to use

our new corporate logo, , which we have applied for registration under class 9 of the Trademarks Act and has been accepted and advertised in the journals of the trademark registry.

Pursuant to the First Royalty Agreement and the Second Royalty Agreement, the relevant manufacturers shall not use the respective trademarks on goods manufactured, traded and/or dealt by them for aggregate invoice value of more than ₹ 200.00 million and ₹100.00 million, respectively, in a financial year and shall be liable to pay a license fee amounting to 1% and 2.5%, respectively, of the value of the invoice issued by the relevant manufacturers. However, there can be no assurance that the relevant manufacturer will not breach the terms of the agreements and infringe on our intellectual property rights, which could have a material adverse effect on our business, financial condition, results of operations and prospects. For details, see “*Risk Factors – Internal Risk Factors - The availability of counterfeit products, such as products passed off as our products by others, and any failure to protect or enforce our rights to own or use trademarks and brand name and identity could have an adverse effect on our business and competitive position. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.*”

In addition to the above, our Company has entered into (i) a rent agreement with our Promoter and Chairman and Managing Director, Inder T. Jaisinghani for the purpose of renting out a godown, situated at Coimbatore; and (ii) another rent agreement with A.K. Enterprises, a partnership firm, where our Promoters, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani are partners. For further details, see “*Our Promoters and Promoter Group – Interests of Promoters*” and “*Related Party Transactions*” on pages 243 and 254, respectively.

#### **Defaults or rescheduling of borrowings with financial institutions / banks and conversion of loans into equity**

As at the date of this Draft Red Herring Prospectus, none of our lenders has issued any notice of default or required us to repay any part of our borrowings. However, during the years 2007 to 2008, there was a dispute with one of our lenders relating to derivatives transaction which was considered as a default on derivative transaction and working capital facility by the lender. The dispute was mutually settled and the relevant lender has confirmed that the account is currently standard.

Except as disclosed above, there have been no defaults or rescheduling of borrowings with financial institutions / banks / debenture holders.

Further, other than the conversion of the FCCDs issued to IFC, none of our outstanding loans have been converted into Equity Shares. For details, see “*Capital Structure – Notes to the Capital Structure – Share Capital History of our Company*” on page 98.

#### **Lock-out, Strikes, etc.**

Other than the shut-down / strike in Halol facility in Fiscal 2017, there have been no instances of strikes, lock-outs or instances of labour unrest in our Company.

For details in respect of lock-out and strikes, see *“Risk Factors – We operate in a labor intensive industry and are subject to stringent labor laws and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows, on page 24.”*

**Time and cost overruns in setting up the projects**

Our Company has not faced any time and cost overrun in setting up the projects, except in the ordinary course of business.

**Changes in the activities of our Company during the five years preceding the date of this Draft Red Herring Prospectus which may have had a material effect on the profits / losses of our Company**

Other than the expansion of the Company into electric fans, LED lighting and luminaires, switches and switchgears, there have been no changes in the activities undertaken by our Company during a period of five years prior to the date of this Draft Red Herring Prospectus which may have had a material effect on the profits or loss of our Company or which may have significantly affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Financial and strategic partners**

Our Company does not have any financial or strategic partners, as of the date of this Draft Red Herring Prospectus.

**Guarantees, if any, issued by Promoters offering their Equity Shares in terms of the Offer for Sale**

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by Promoters offering their Equity Shares in terms of the Offer for Sale.

## OUR SUBSIDIARIES AND JOINT VENTURES

As of the date of this Draft Red Herring Prospectus, our Company has three Subsidiaries and two Joint Ventures.

### Our Subsidiaries

1. Dowells Cable Accessories Private Limited;
2. Tirupati Reels Private Limited; and
3. Polycab Wires Italy SRL.

### Our Joint Ventures

1. Ryker Base Private Limited; and
2. Techno Electromech Private Limited.

### Details of our Subsidiaries

#### 1. Dowells Cable Accessories Private Limited

##### *Corporate Information*

Dowells Cable Accessories Private Limited was incorporated as a private limited company on December 1, 2015 under the Companies Act, 2013. Its registered office is situated at Gala No. 47 & 47A, 1st floor, Jagat Satguru Industrial Estate, Off Aarey Road, Goregaon (East), Mumbai 400 063. Dowells Cable is involved in the business of *inter alia*, manufacturing, designing, importing, exporting, of soldering or other types of cable sockets for electrical wires, connectors and accessories.

##### *Capital Structure*

The following table sets forth details of the capital structure of Dowells Cable:

Particulars	Aggregate value at face value (In ₹)
<b>Authorised capital</b>	
5,000,000 equity shares of ₹ 10 each	50,000,000
2,500,000 redeemable preference shares of ₹ 10 each	25,000,000
<b>Total</b>	<b>75,000,000</b>
<b>Issued, subscribed and paid-up capital</b>	
3,250,000 equity shares of ₹ 10 each	32,500,000
<b>Total</b>	<b>32,500,000</b>

##### *Shareholding pattern of Dowells Cable*

The following table sets forth details of the shareholding pattern of Dowells Cable:

Sr. no.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Our Company	1,657,500	51.00
2.	Jayantibhai Shankarbhai Patel	796,250	24.50
3.	Divya Jayantibhai Patel	796,250	24.50

#### 2. Tirupati Reels Private Limited

##### *Corporate Information*

Tirupati Reels Private Limited was incorporated as a private limited company on January 21, 2015 under the Companies Act, 2013. Its registered office is situated at E-107, 1st floor, Greater Kailash, New Delhi 110 048. Tirupati Reels is engaged in the business of *inter alia*, manufacturing, exporting, importing, dealing and distributing the reels, drums, pallets, packaging material made of wood, steel or any articles and its by-products.



### Capital Structure

The following table sets forth details of the capital structure of Tirupati Reels:

Particulars	Aggregate value at face value (In ₹)
<b>Authorised capital</b>	
6,000,000 equity shares of ₹ 10 each	60,000,000
<b>Issued, subscribed and paid-up capital</b>	
6,000,000 equity shares of ₹ 10 each	60,000,000

### Shareholding pattern of Tirupati Reels

The following table sets forth details of the shareholding pattern of Tirupati Reels:

#### Equity shares

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Our Company	3,300,000	55
2.	Tirupati Tradelinks Private Limited	2,700,000	45

## 3. Polycab Wires Italy SRL

### Corporate Information

Polycab Wires Italy SRL was incorporated as a single member private limited liability company i.e. *Societa a Responsabilita Limitata* or S.R.L. on July 9, 2012 under the Italian Civil Code. Its registered office is situated at Milano (MI), Via Senato 20 Cap 20121. Polycab Italy is involved in the business of *inter alia*, manufacturing, engineering, promotion, development and marketing of electrical cables, and supply of services and consultancies to companies in the sector of marketing.

### Capital Structure

The following table sets forth details of the capital structure of Polycab Italy:

Particulars	Aggregate value (In Euro)
<b>Authorised capital</b>	60,000
<b>Issued, subscribed and paid-up capital</b>	60,000

### Shareholding pattern of Polycab Italy

The following table sets forth details of the shareholding pattern of Polycab Italy:

Sr. No.	Name of the shareholder	Equity shares (quota)	Percentage of total equity holding (%)
1.	Our Company	60,000	100

## Our Joint Ventures

### 1. Ryker Base Private Limited

Ryker Base Private Limited was incorporated as a private limited company on July 15, 2016 under the Companies Act, 2013. Its registered office is situated E-554, Basement, Greater Kailash- II, New Delhi 110 048. Ryker is involved in the business of *inter alia*, manufacturing, formulating, processing, producing, converting, distilling, refine making, buying, selling and dealing in conductors, wires, cables and rods made of all ferrous and non-ferrous metals and their compounds.

### Capital Structure

The following table sets forth details of the capital structure of Ryker

Particulars	Aggregate value at face value (In ₹)
<b>Authorised capital</b>	
52,020,000 equity shares of ₹ 10 each	520,200,000
<b>Issued, subscribed and paid-up capital</b>	
52,020,000 equity shares of ₹ 10 each	520,200,000

#### *Shareholding pattern of Ryker*

The following table sets forth details of the shareholding pattern of Ryker:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
•	Our Company	26,010,000	50
•	Trafigura Pte Ltd.	26,010,000	50

## 2. **Techno Electromech Private Limited**

Techno Electromech Private Limited was incorporated as a private limited company on January 25, 2011 at Vadodara under the Companies Act, 1956. Its registered office is situated Plot No. 858, Opposite GSFC Vill, Channi, Vadodara, Gujarat 391 740. The memorandum of association authorizes Techno is involved in the business of, *inter alia*, manufacturing of light emitting diodes, lighting and luminaires, and LED drivers.

#### *Capital Structure*

The following table sets forth details of the capital structure of Techno:

Particulars	Aggregate value at face value (In ₹)
<b>Authorised capital</b>	
5,000,000 equity shares of ₹ 10 each	50,000,000
<b>Issued, subscribed and paid-up capital</b>	
1,080,000 equity shares of ₹ 10 each	10,800,000

#### *Shareholding pattern of Techno*

The following table sets forth details of the shareholding pattern of Techno:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Our Company	540,000	50.00
2.	Saurabh Dahyabhai Patel	244,500	22.64
3.	Ila Saurabh Patel	244,500	22.64
4.	Saurabh Patel (HUF)	50,000	4.63
5.	Nisarg Saurabh Patel	200	0.02
6.	Babubhai Ambalal Patel	200	0.02
7.	Kumudben Babubhai Patel	200	0.02
8.	Dahyabhai Naranbhai Patel	200	0.02
9.	Charulata Dahyabhai Patel	200	0.02

#### **Significant sales / purchase with our Subsidiaries or Joint Ventures**

Our Company is not involved in any sales or purchases with any of our Subsidiaries or Joint Ventures where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company on a consolidated and unconsolidated basis.

#### **Common Pursuits**

Other than our Company and Techno Electromech Private Limited which are involved in selling of lighting products, there are no common pursuits between our Company, our Subsidiaries and Joint Ventures.

## Other Confirmations

1. There are no accumulated profits or losses of our Subsidiaries or Joint Ventures which are not accounted for by our Company in our Consolidated Financial Statements.
2. Except as disclosed below and in “*Our Business*” and “*Related Party Transactions*” beginning on pages 181 and 254, respectively, our Subsidiaries and Joint Ventures do not have any business interests in our Company:

Our Company has entered into a lease and license agreement dated March 23, 2018 (“**RBPL Lease Agreement**”) with Ryker Base, in terms of which our Company granted the usage of land owned by it, to Ryker Base, which intends to use the aforesaid land as liquefied natural gas storage and regasification facility. The RBPL Lease Agreement is valid for a period of five years with effect from May 1, 2018 to April 30, 2023 (“**Term**”). In terms of the RBPL Lease Agreement, the initial period of 36 months of the Term is the lock-in period in which none of the parties can terminate the RBPL Lease Agreement. Further, our Company is entitled to monthly rent of ₹ 0.22 million with an escalation clause of 5% per annum under the RBPL Lease Agreement.

3. None of our Subsidiaries or Joint Ventures are listed in India or abroad.
4. None of our Subsidiaries or Joint Ventures have made any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight Directors, including four Executive Directors and four Independent Directors, including one woman director.

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

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
<p><b>Inder T. Jaisinghani</b></p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Address:</i> 1401/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Appointed as Managing Director for a period of five years with effect from August 28, 2014. Appointed as Chairman with effect from December 20, 1997</p> <p><i>DIN:</i> 00309108</p>	65	<ul style="list-style-type: none"> <li>• Dowells Cable Accessories Private Limited</li> <li>• Jaisingh Finance Private Limited</li> <li>• Microcab Industries &amp; Logistics Private Limited</li> <li>• Tirupati Reels Private Limited</li> </ul>
<p><b>Ajay T. Jaisinghani</b></p> <p><i>Designation:</i> Whole-Time Director</p> <p><i>Address:</i> 1301/B, Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Appointed for a period of five years with effect from August 28, 2014 (liable to retire by rotation)</p> <p><i>DIN:</i> 00276588</p>	66	<ul style="list-style-type: none"> <li>• Jaisingh Finance Private Limited</li> </ul>
<p><b>Ramesh T. Jaisinghani</b></p> <p><i>Designation:</i> Whole-Time Director</p> <p><i>Address:</i> 701/2, Salisbury Park 82, Palimala Road, Pali Hill, Bandra (West), Mumbai 400 050</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Appointed for a period of five years with effect from August 28, 2014 (liable to retire by rotation)</p> <p><i>DIN:</i> 00309314</p>	62	<ul style="list-style-type: none"> <li>• Dowells Cable Accessories Private Limited</li> <li>• Jaisingh Finance Private Limited</li> <li>• Techno Electromech Private Limited</li> </ul>
<p><b>Shyam Lal Bajaj</b></p> <p><i>Designation:</i> Chief Financial Officer and Whole-Time Director</p>	64	Nil

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
<p><b>Address:</b> Flat No. 1601, 16<sup>th</sup> Floor, Mahindra Angelica, S.V. Road, Goregaon (West), Mumbai 400 062</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Whole-Time Director for a period of five years with effect from December 15, 2016 (liable to retire by rotation). Appointed as Chief Financial Officer for a period of five years with effect from September 25, 2018</p> <p><b>DIN:</b> 02734730</p>		
<p><b>Radhey Shyam Sharma</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> B3-1102, The World Spa –West, Sector-30, Gurgaon, Haryana, 122 001</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed for a period of five years with effect from September 20, 2018</p> <p><b>DIN:</b> 00013208</p>	67	<ul style="list-style-type: none"> <li>• Corevalues Consulting Private Limited</li> <li>• Hinduja Leyland Finance Limited</li> <li>• Independent Energy Policy Institute</li> <li>• Jubilant Industries Limited</li> <li>• Jubilant Agri and Consumer Products Limited</li> <li>• Sembcorp Energy India Limited</li> <li>• Sembcorp Gayatri Power Limited</li> </ul>
<p><b>Tilokchand Punamchand Ostwal</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 103, Falcons Crest, G D Ambedkar Marg, Parel, Mumbai, 400 012</p> <p><b>Occupation:</b> Practicing Chartered Accountant</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed for a period of five years with effect from September 20, 2018</p> <p><b>DIN:</b> 00821268</p>	63	<ul style="list-style-type: none"> <li>• Incline Realty Private Limited</li> <li>• Intas Pharmaceuticals Limited</li> <li>• ITI Mutual Fund Trustee Private Limited</li> <li>• Oberoi Constructions Limited</li> <li>• Oberoi Realty Limited</li> </ul>
<p><b>Pradeep N. Poddar</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 222, Mont Blanc, A.K. Marg, Shalimar Hotel, Kempes Corner, Mumbai, Maharashtra, 400 026</p> <p><b>Occupation:</b> Director on Boards</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed for a period of five years with effect from September 20, 2018</p> <p><b>DIN:</b> 00025199</p>	64	<ul style="list-style-type: none"> <li>• Monsanto India Limited</li> <li>• Uflex Limited</li> <li>• Welspun Flooring Limited</li> <li>• Welspun India Limited</li> </ul>

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
<p><b>Hiroo Mirchandani</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Flat 1601, Ireo Uptown, Sector 66, Near St. Xaviers High School, Golf Course Extension Road, Gurgaon, Haryana, 122 001</p> <p><i>Occupation:</i> Independent Director on Boards</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Appointed for a period of five years with effect from September 20, 2018</p> <p><i>DIN:</i> 06992518</p>	57	<ul style="list-style-type: none"> <li>• DFM Foods Limited</li> <li>• Nilkamal Limited</li> <li>• Roots Corporation Limited</li> <li>• Tata Communications Payment Solutions Limited</li> <li>• Tata Teleservices (Maharashtra) Limited</li> </ul>

#### ***Relationship between our Directors***

Other than Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani being brothers, there is no family relationship among our Directors.

#### ***Arrangements or understandings with major shareholders, customers, suppliers or others***

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

#### ***Brief Biographies of Directors***

**Inder T. Jaisinghani**, aged 65 years, is the Chairman and Managing Director of our Company. He has been working with our Company since its inception. He has completed his education up to secondary school certificate level. He was appointed as a Chairman and Director of our Company on December 20, 1997 and was subsequently reappointed as Chairman and Managing Director of our Company with effect from August 28, 2014. He has worked in different areas of Sales, Marketing, Production and other support services and has played a major role in leadership of our Company.

**Ajay T. Jaisinghani**, aged 66 years, is a Whole-Time Director of our Company. He has completed his education up to secondary school certificate level. He was appointed as a Director of our Company on September 11, 2006 and was subsequently reappointed as the Whole-Time Director of our Company with effect from August 28, 2014. He has worked in different areas of Sales, Marketing, Production and other support services and has played a major role in leadership of our Company.

**Ramesh T. Jaisinghani**, aged 62 years, is a Whole-Time Director of our Company. He has been working with our Company since its inception as a director. He has completed his education up to secondary school certificate level. He was subsequently reappointed as a Whole-Time Director of our Company with effect from August 28, 2014. He has worked in different areas of Sales, Marketing, Production and other support services and has played a major role in leadership of our Company.

**Shyam Lal Bajaj**, aged 64 years, is the Chief Financial Officer and Whole-Time Director of our Company. He holds a bachelor's degree in commerce from Rajasthan University and is a qualified Chartered Accountant. He was appointed as a Whole-Time Director of our Company with effect from December 15, 2016 and as Chief Financial Officer on September 25, 2018. Prior to joining our Company, he served as the Director Finance at Vedanta Limited (including at Sesasterlite Limited now merged with Vedanta Limited). He has also served as the Chief Financial Officer of Hindustan Zinc Limited, served as Chief Financial Officer and Vice President of Finance at Sterlite Technologies Limited (formerly called 'Sterlite Optical Technologies Limited') and Senior General Manager at Sterlite Industries (India) Limited now Vedanta Limited.

**Radhey Shyam Sharma**, aged 67 years, is an Independent Director of our Company. He holds a bachelor of arts' degree from University of Delhi. He was appointed as an Independent Director of our Company with effect from September 20, 2018. He has passed the final certificate examination from the Institute of Cost and Works Accountants of India and the associate examination from the Indian Institute of Bankers. Prior to joining our Company he has served as Chairman and Managing Director at Oil and Natural Gas Corporation Limited.

**Tilokchand Punamchand Ostwal**, aged 63 years, is an Independent Director of our Company. He is a qualified chartered accountant from the Institute of Chartered Accountants of India since 1978. He was appointed as an Independent Director of our Company with effect from September 20, 2018. He is a practicing chartered accountant and is a senior partner with T.P.

Ostwal and Associates LLP. He is also a partner at DTS & Associates and Ostwal Desai & Kothari, Chartered Accountants. He has served as a member of the advisory group for advising and establishing transfer pricing regulations in India, set up by the Central Board of Direct Taxes, Ministry of Finance, Government of India. He is a member of the sub-committee on Transfer Pricing for Developing Countries of United Nations.

**Pradeep N. Poddar**, aged 64 years, is an Independent Director of our Company. He completed his Bachelors' degree in Chemical Engineering from the University Department of Chemical Technology, University of Mumbai in 1976 and a post-graduate program in management from Indian Institute of Management, Ahmedabad, in 1978. He has significant experience in consumer goods industry, having worked in Glindia Limited (formerly known as 'Glaxo Laboratories (India) Limited'), Heinz India Private Limited and TATA Group. He represented the Tata's on the Nourishco Board (Joint Venture with Pepsi). He is also on the Boards of Monsanto India Limited, Welspun India Limited, and Uflex Limited.

**Hiroo Mirchandani**, aged 57 years, is an Independent Director of our Company. She holds a Bachelors' degree in commerce and an MBA from the University of Delhi. She joined our Company board on September 20, 2018. She also serves on the board of directors of listed companies like Tata Teleservices (Maharashtra) Limited, DFM Foods Limited and Nilkamal Limited. Ms. Mirchandani is a former shareholder director of Punjab National Bank. Her business career of over thirty years has primarily been in Consumer Goods & Healthcare sectors where she grew from being a Branch Manager at Asian Paints to Business Unit Head at Pfizer. She has also held leadership roles at Dabur, World Gold Council & BPL Telecom. She is a Chevening Gurukul Scholar from the London School of Economics.

### **Confirmations**

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchanges.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the term of their directorship in such companies.

None of our Directors have been declared as Wilful Defaulters.

### **Terms of appointment of the Executive Directors**

#### **Inder T. Jaisinghani**

Inder T. Jaisinghani is currently the Managing Director and the Chairman of our Company. Our Board of Directors in its meeting held on August 28, 2014 and our shareholders in the EGM dated August 30, 2014 approved the appointment of Inder T. Jaisinghani as the Managing Director with effect from August 28, 2014 for a period of five years.

Inder T. Jaisinghani is entitled to an annual remuneration of ₹ 25 million from our Company during his tenure as the Chairman and Managing Director of our Company. The prerequisites and other benefits include *inter alia* (i) all expenses related to gas, water, electricity and furnishings shall be provided by our Company; (ii) medical insurance as per Company's policy; (iii) medical reimbursement for self and family (subject to ceiling of one month's salary in a year); (iv) annual leave travel concession for self and family; (v) car for Company's business. Use of car for private use shall be billed by our Company; (vi) residential telephone. All expenses related to personal long distance calls shall be borne by our Company; (vii) provident fund, gratuity and superannuation; and (viii) reimbursement of entertainment expenses incurred by the Director for the business of our Company.

Further, he is also entitled to commission not exceeding 1% of our Company's net profits as approved by the Board of Directors of our Company from time to time.

The following table sets forth details of his terms of annual remuneration during Fiscal 2018:

<b>Sr. No.</b>	<b>Particulars of remuneration</b>	<b>Remuneration (in ₹ million)</b>
1.	Basic Salary	16.31
2.	Allowance	16.29
3.	Commission / Incentives	35.50
	<b>Total Remuneration</b>	<b>68.10</b>

Note: Total Remuneration is as per Restated Summary Statement as at March 31, 2018, Related Party Transactions in Restated Summary Statements as per requirement of Ind AS 24 - Related Party Disclosures.

#### **Ajay T. Jaisinghani**

Ajay T. Jaisinghani is currently the Whole-Time Director of our Company. Our Board of Directors in its meeting held on August 28, 2014 and our shareholders in the EGM dated August 30, 2014 approved the appointment of Ajay T. Jaisinghani as the Whole-Time Director with effect from August 28, 2014 for a period of five years.

Ajay T. Jaisinghani is entitled to an annual remuneration of ₹ 15 million from our Company during his tenure as the Whole-Time Director of our Company. The prerequisites and other benefits include *inter alia* (i) all expenses related to gas, water, electricity and furnishings shall be provided by our Company; (ii) medical insurance as per Company's policy; (iii) medical reimbursement for self and family (subject to ceiling of one month's salary in a year); (iv) annual leave travel concession for self and family; (v) car for Company's business. Use of car for private use shall be billed by our Company; (vi) residential telephone. All expenses related to personal long distance calls shall be borne by our Company; (vii) provident fund, gratuity and superannuation; and (viii) reimbursement of entertainment expenses incurred by the Director for the business of our Company.

Further, he is also entitled to variable pay, not exceeding, 30% of the fixed component of remuneration, linked to a specific set of deliverables.

The following table sets forth details of his terms of annual remuneration during Fiscal 2018:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	9.70
2.	Allowance	9.68
3.	Commission / Incentives	10.52
	<b>Total Remuneration</b>	<b>29.90</b>

Note: Total Remuneration is as per Restated Summary Statement as at March 31, 2018, Related Party Transactions in Restated Summary Statements as per requirement of Ind AS 24 - Related Party Disclosures.

### Ramesh T. Jaisinghani

Ramesh T. Jaisinghani is currently the Whole-Time Director of our Company. Our Board of Directors in its meeting held on August 28, 2014 and our shareholders in the EGM dated August 30, 2014 approved the appointment of Ramesh T. Jaisinghani as the Whole-Time Director with effect from August 28, 2014 for a period of five years.

Ramesh T. Jaisinghani is entitled to an annual remuneration of ₹ 15 million from our Company during his tenure as the Whole-Time Director of our Company. The prerequisites and other benefits include *inter alia* (i) all expenses related to gas, water, electricity and furnishings shall be provided by our Company; (ii) medical insurance as per Company's policy; (iii) medical reimbursement for self and family (subject to ceiling of one month's salary in a year); (iv) annual leave travel concession for self and family; (v) car for Company's business. Use of car for private use shall be billed by our Company; (vi) residential telephone. All expenses related to personal long distance calls shall be borne by our Company; (vii) provident fund, gratuity and superannuation; and (viii) reimbursement of entertainment expenses incurred by the Director for the business of our Company.

Further, he is also entitled to variable pay, not exceeding, 30% of the fixed component of remuneration, linked to a specific set of deliverables.

The following table sets forth details of his terms of annual remuneration during Fiscal 2018:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	9.70
2.	Allowance	9.65
3.	Commission / Incentives	10.55
	<b>Total Remuneration</b>	<b>29.90</b>

Note: Total Remuneration is as per Restated Summary Statement as at March 31, 2018, Related Party Transactions in Restated Summary Statements as per requirement of Ind AS 24 - Related Party Disclosures.

### Shyam Lal Bajaj

Shyam Lal Bajaj is the Chief Financial Officer and Whole-Time Director of our Company. Our Board of Directors in its meeting held on December 15, 2016 approved the appointment of Shyam Lal Bajaj as the Whole-Time Director with effect from December 15, 2016 for a period of five years.

Pursuant to the Board Resolution dated September 25, 2018, Shyam Lal Bajaj is entitled to ₹ 20.16 million per annum and variable pay of ₹ 5.60 million and other benefits as per the Company policy including, (i) mediclaim policy for self and family as per rules; (ii) mobile / telephone reimbursement on actuals; (iii) Company car and driver on actuals; and (iv) reimbursement of expenses for official work as per the prevailing rules.

The following table sets forth details of his terms of annual remuneration during Fiscal 2018:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	9.00



Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
2.	Allowance	8.80
3.	Commission / Incentives	5.00
	<b>Total Remuneration</b>	<b>22.80</b>

Note: Total Remuneration is as per Restated Summary Statement as at March 31, 2018, Related Party Transactions in Restated Summary Statements as per requirement of Ind AS 24 - Related Party Disclosures.

### Remuneration of our Directors

The remuneration paid to our Directors in Fiscal 2018 are as follows:

#### Remuneration of Executive Directors:

The following table sets forth details of the remuneration paid to the Executive Directors of our Company for the Fiscal 2018:

Sr. No.	Name of the Director	Remuneration (In ₹ million)
1.	Inder T. Jaisinghani	68.10
2.	Ajay T. Jaisinghani	29.90
3.	Ramesh T. Jaisinghani	29.90
4.	Shyam Lal Bajaj	22.80

Note: Total Remuneration is as per Restated Summary Statement as at March 31, 2018, Related Party Transactions in Restated Summary Statements as per requirement of Ind AS 24 - Related Party Disclosures.

#### Remuneration of Non-Executive Directors

None of our Non-Executive Directors have been paid any remuneration for the Fiscal 2018.

Our Independent Directors are entitled to receive sitting fees for attending meetings of our Board or any of its committee and reimbursements of expenses. Pursuant to the resolution dated September 20, 2018 passed by our Board, our Independent Directors are entitled to sitting fees of (i) ₹ 0.10 million for attending each Board meeting and (ii) ₹ 0.08 million for attending each committee meeting.

#### Remuneration paid to our Directors by our Subsidiaries and Joint Ventures

None of our Directors are entitled to remuneration from our Subsidiaries and Joint Ventures.

#### Bonus or profit sharing plan of the Directors

Other than for Inder T. Jaisinghani who is entitled to a commission not exceeding 1% of the net profit of our Company, our Company does not have any bonus or profit sharing plan for the Directors.

#### Shareholding of Directors in our Company

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares
1.	Inder T. Jaisinghani	23,540,779
2.	Ajay T. Jaisinghani	23,342,806
3.	Ramesh T. Jaisinghani	23,340,264

Our Articles of Association do not require our Directors to hold any qualification shares.

#### Shareholding of Directors in our Subsidiaries and Joint Ventures

None of our Directors hold any equity shares in our Subsidiaries and Joint Ventures as of the date of this Draft Red Herring Prospectus.

#### Interests of Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration and other perquisites for which they or their relatives may be entitled to as part of their services rendered to our Company as an officer or an employee of our Company apart from their interest in the Equity Shares held by them or their relatives and to any dividends payable and other distributions in respect of the Equity Shares held by them.


Certain of our Non-Executive Directors may be deemed to be interested to the extent of remuneration and fees payable to them for attending meetings of our Board and committees thereof. Our Independent Directors may be interested to the extent of fees and reimbursement of other expenses payable to them for attending the meetings of our Board and committees thereof.

Certain of our Directors may be regarded as interested in the Equity Shares, if any, held by them or that may be held by the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Directors may also be regarded as interested in the Equity Shares held by them or that may pursuant to the Offer, be subscribed by or allotted to them, their relatives or to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters.

Except as Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani, none of our Directors have interest in the promotion of our Company.

Our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors. Further, our Directors have no interest in any property acquired within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company. However, Inder T. Jaisinghani is interested in our Company to the extent of the rental income of ₹ 0.10 million, per annum, pursuant to a lease agreement entered into by him with our Company in respect of a property in Coimbatore. For details, see “*Risk Factors- Internal Risk Factors - Other interests of our Promoter and Chairman and Managing Director in our Company, other than normal remuneration or benefits or reimbursement of expenses incurred*” on page 42.

Our Company has entered into a rent agreement with A.K. Enterprises (“**AK Rent Agreement**”), a partnership firm, with our Promoters, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani as partners, in terms of which A.K. Enterprises has rented out a godown owned by it, to our Company for a period of two years, up to September 30, 2019. In terms of the AK Rent Agreement, our Company is required to pay a monthly rent of ₹ 2.06 million to A.K. Enterprises. For details on related party transactions, please see “*Related Party Transactions*” on page 254 and “*Risk Factors- Internal Risk Factors - Other interests of our Promoter and Chairman and Managing Director in our Company, other than normal remuneration or benefits or reimbursement of expenses incurred*” on page 42.

Additionally, the old corporate label , registered under class 9 of the Trademarks Act, is owned and registered in the name of one of our Promoters and the Chairman and Managing Director, Inder T. Jaisinghani. The old corporate logo is currently being used by our Company for limited aspects of our business such as old packages and on the letterheads of certain invoices raised by us. In addition, we have entered into an assignment deed dated September 28, 2018, in terms of which, the rights, title and interests of Inder T. Jaisinghani and all the benefits in the intellectual properties in connection with the old logo, together with goodwill accrued to them, have been assigned and transferred to our Company, for a consideration amount ₹ 1. Per this assignment deed, Inder T. Jaisinghani has ratified the use of the old logo by our Company, until the effective date i.e. September 28, 2018.

#### ***Changes in our Board of Directors in the last three years***

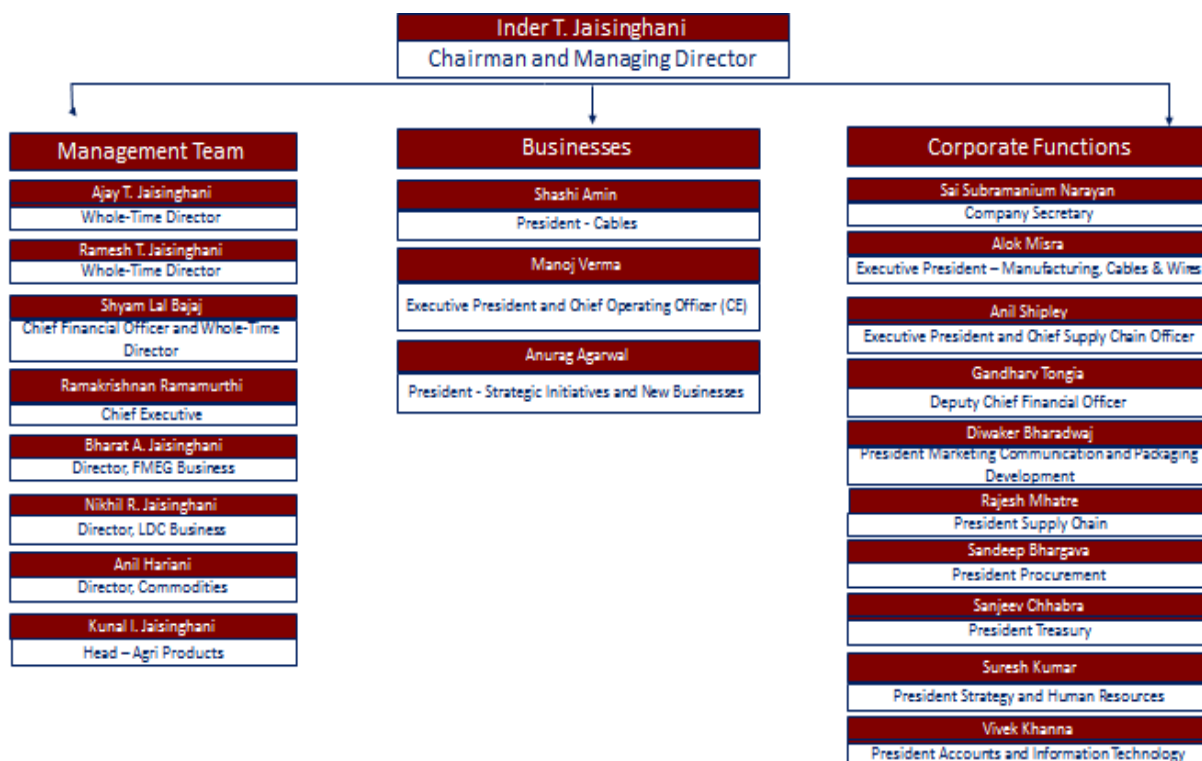
The following table sets forth details of the changes in our Board of Directors in the last three years:

Sr. No.	Name	Date of Appointment / Resignation	Reason
1.	Shyam Lal Bajaj	September 25, 2018	Appointed as Chief Financial Officer
2.	Radhey Shyam Sharma	September 20, 2018	Appointed as Independent Director
3.	Tilokchand Punamchand Ostwal	September 20, 2018	Appointed as Independent Director
4.	Pradeep N. Poddar	September 20, 2018	Appointed as Independent Director
5.	Hiroo Mirchandani	September 20, 2018	Appointed as Independent Director
6.	Lemaire Claude Michel	August 21, 2018	Resigned as Independent Director
7.	Ramakrishnan Ramamurthi	April 1, 2017	Reappointed as a Joint Managing Director
		May 23, 2018	Resigned as a Director and Joint Managing Director
8.	Martin Christopher Spicer	February 17, 2016	Resigned as a Director
9.	Rajesh Chhaganlal Jain	August 26, 2015	Appointed as an Additional Director and Deputy Managing director
		September 19, 2016	Resigned as a Deputy Managing Director
10.	Shyam Lal Bajaj	December 15, 2016	Appointed as Whole-Time Director and Additional Director

## Borrowing powers of our Board of Directors

In accordance with the Articles of Association of our Company, the Board has been empowered to borrow funds in accordance with applicable law. Pursuant to the resolution adopted at our Shareholders' meeting dated August 30, 2014, our Board has been authorized to borrow an amount up to ₹ 30,000 million.

## Management Organisation Chart:



## Key Management Personnel

For details in relation to biography of our Executive Directors, Whole-Time Directors and Chief Financial Officer see “Our Management - Brief Biographies of Directors” beginning on page 228.

The details of the additional key management personnel as of the date of this Draft Red Herring Prospectus are as follows:

**Sai Subramaniam Narayana** is the Company Secretary of our Company since December 14, 2012. He joined our Company on December 8, 2010. He holds a bachelor’s degree in law from Bombay University, bachelor’s degree in science from Bangalore University and he is also a fellow member of the Institute of Company Secretaries of India, New Delhi. He has significant work experience in the field of legal, secretarial and administration. Prior to joining our Company, he served as the company secretary of Hydroair Tectonics Limited, Sunil Mantri Realty Limited and Renaissance Jewellery Limited. During Fiscal 2018, he was paid a remuneration\* of ₹ 2.60 million.

\*Key Management Personnel as per definition in Ind AS 24 – Related Party Disclosures and their remuneration does not include the liabilities for gratuity and leave encashment as they are provided on actuarial basis for the group as a whole.

## Senior Management Personnel

The details of the senior management personnel as of the date of this Draft Red Herring Prospectus are as follows:

**Ramakrishnan Ramamurthi** is the Chief Executive of our Company since May 23, 2018. He joined our Company on March 12, 2012. He holds a bachelors’ degree in science from Osmania University. He holds a Post Graduate Diploma in Business Management from Xavier Labour Relations Institute, Jamshedpur. He has significant work experience of 36 years in management and organizational leadership. Prior to joining our Company, he had worked for around 12 years in Bajaj Electricals Limited where the last position he held was as executive director. Earlier, he had worked with Asian Paints Limited

for over 17 years where the last position held was as General Manager (New Product Introduction). During Fiscal 2018, he was paid a remuneration\* of ₹ 31.20 million.

**Bharat A. Jaisinghani** is the Director - FMEG Business (non-board member) of our Company since October 16, 2018. He joined our Company on January 1, 2012. He holds a master's degree in operations management from the University of Manchester. He has experience of working in different areas of sales, marketing, production and other support services and has played a key leadership role in our Company. During Fiscal 2018, he was paid a remuneration\* of ₹ 10.83 million.

**Nikhil R. Jaisinghani** is the Director - LDC Business (non-board member) of our Company since October 16, 2018. He joined our Company on January 1, 2012. He holds a master's degree in business administration (MBA) from Kellogg School of Management, Northwestern University, Illinois, USA. He has worked in different areas of sales, marketing, production and other support services and has played a key leadership role in our Company. During Fiscal 2018, he was paid a remuneration\* of ₹ 10.83million.

**Anil Hariani** is the Director - Commodities (non-board member) of our Company since October 16, 2018. He has been working with our Company since its inception. He holds a diploma from Bensalem High School. He has experience in Commodity Pricing, Forex, Purchase and Sales Support. During Fiscal 2018, he was paid gross compensation of ₹ 8.34 million.

**Alok Misra**, is the Executive President (Manufacturing, Cables and Wires) of our Company since October 16, 2018. He joined our Company on April 3, 2017. He holds a bachelors' degree in technology (Chemical Technology) from Harcourt Butler Technological Institute, Kanpur, Kanpur University. He has significant work experience in Operations, and Strategic Sourcing. Prior to joining our Company, he served as a senior director, operations at Franke Faber India Private Limited, Pune. During Fiscal 2018, he was paid gross compensation of ₹ 6.44 million.

**Anil Shipley** is the Executive President and Chief Supply Chain Officer of our Company. He joined our Company on October 1, 2018. He holds a bachelors' degree in technology (mechanical engineering) from Banaras Hindu University, Varanasi. He also holds a Post Graduate Diploma in Business Management from the Indian Institute of Management, Kolkata. He has significant work experience in supply chain management and procurement. Prior to joining our Company, he served in Bajaj Electricals Limited for five years, where the last position held by him was as executive president and head (supply chain management). He has also worked in Blue Star Limited for eight years where the last position held was as senior general manager (procurement). As Anil Shipley joined our Company October 1, 2018, he was not paid any compensation during Fiscal 2018.

**Manoj Verma** is the Executive President and Chief Operating Officer (CE) of our Company since October 16, 2018. He joined our Company on May 3, 2018. He holds a bachelors' degree in technology (electronics and telecom) from Jabalpur University. He has significant work experience in sales, marketing and operations. Prior to joining our Company, he has served as chief executive officer of Orient Paper and Industries Limited. He has also worked with Crompton Greaves for seven years where the last designation held was as vice president. As Manoj Verma joined our Company May 3, 2018, he was not paid any compensation during Fiscal 2018.

**Gandharv Tongia** is the Deputy Chief Financial Officer of our Company. He joined our Company on July 25, 2018. He completed his bachelor's degree in commerce from University of Rajasthan, Jaipur, in the year 2002. He is a Chartered Accountant from the Institute of Chartered Accountants of India. He has also completed the Professional Programme Examination from the Institute of Company Secretaries of India. He has over 14 years of work experience in auditing and consulting. Prior to joining our Company, he was a director at S R B C and CO LLP, Mumbai and has worked in S.R. Batliboi & Associates LLP. He has also worked with A.F. Ferguson & Co. (an Indian member firm of Deloitte) for three years. As he joined our Company on July 25, 2018, he was not paid any compensation during Fiscal 2018.

**Kunal I. Jaisinghani** is the Head - Agri Products of our Company since October 16, 2018. He joined our Company on August 1, 2015. He holds a degree in business management studies from University of Mumbai. He has experience in factory operations, MIS and pricing. During Fiscal 2018, he was paid gross compensation of ₹ 1.16 million.

**Anurag Agarwal** is the President (Strategic Initiatives & New Businesses) of our Company since June 22, 2016. He joined our Company on October 23, 2015. He holds a bachelors' degree in electronics from University of Pune. He also holds a masters' degree in science (quality Management) from the Birla Institute of Technology and Science, Pilani. He has significant work experience in strategic projects and business operations. Prior to joining our Company, he served in Sterlite Technologies Limited as general manager (operations). Earlier he has worked for approximately nine years in RR Kabel Ltd. where the last position held was as head (operations & purchase). During Fiscal 2018, he was paid gross compensation of ₹ 8.86 million.

**Diwaker Bharadwaj** is the President (Marketing Communication and Packaging Development) of our Company since June 30, 2017. He joined our Company on January 28, 2013. He holds bachelors' degree in engineering (printing technology) from Manipal Institute of Technology. He had successfully completed a diploma course, namely, Professional Diploma in Communication Technology & Management from All India Management Association, Centre for Management Education, in collaboration with Apple Publishing Technology and Management. He has significant work experience in marketing and

packaging. Prior to joining our Company, he worked as senior manager, Packaging Engineering at SYSCOM Corporation Limited. During Fiscal 2018, he was paid gross compensation of ₹ 4.64 million.

**Rajesh Mhatre** is the President (Supply Chain) of our Company since June 30, 2017. He joined our Company on May 16, 2011. He holds a masters' degree in science from Mumbai University and a graduate diploma in materials management from Indian Institute of Materials Management. He has significant work experience in supply chain management. Prior to joining our Company, he has worked with Hindustan Unilever Limited. During Fiscal 2018, he was paid gross compensation of ₹ 11 million.

**Sandeep Bhargava** is the President (Procurement) of our Company since August 19, 2016. He joined our Company on November, 7 2011. He holds a bachelors' degree in industrial engineering, from Nagpur University, in the year 1991. He has significant work experience in the field of materials and procurement. Prior to joining our Company, he served as associate vice president in Sterlite Industries India Limited and as General Manager (Smelter Procurement) in Vedanta Aluminium Limited. He has worked with Arcelor Mittal and Asahi India Glass Limited. During Fiscal 2018, he was paid gross compensation of ₹ 11.65 million.

**Sanjeev Chhabra** is the President (Treasury) of our Company since August 19, 2016. He joined our Company on April 30, 2012. He holds a masters' degree in commerce (accounting) from Jai Narain Vyas University, Jodhpur. He holds a diploma course, namely, Post Graduate Diploma in Computer Applications, conducted by the Computer Education Society of Rajasthan during the year 1992 to 1993. He has significant work experience in finance, treasury, marketing and risk management. Prior to joining our Company, he has worked at Sterlite Copper, a unit of Sterlite Industries (India) Limited, for 16 years where the last designation held was as associate general manager. During Fiscal 2018, he was paid gross compensation of ₹ 12.53 million.

**Shashi Amin** is the President, (Cables) of our Company since May 23, 2016. He joined our Company on July 1, 2011. He holds a bachelors' degree in engineering (Electrical Power System) from Amravati University in the year 1989. He also holds a masters' degree in marketing management from Principal L.N. Welingkar Institute of Management and Research, University of Bombay, Mumbai, in the year 1995. He has significant work experience in sales and marketing of cables. He has served as an assistant sales manager in BICC-MET, Bahrain. He has also served previously with our Company. He has also worked in Nicco Corporation Limited and National Insulated Cable Company of India Limited. During Fiscal 2018, he was paid gross compensation of ₹ 15.10 million.

**Suresh Kumar** is the President (Strategy & Human Resources) of our Company. He joined our Company on August 28, 2018. He holds an L.L.B degree from Jiwaji University, Gwalior. He has significant work experience in human resources. Prior to joining our Company he has served as senior vice president (human resources & administration) with Mafatlal Industries Limited. As he joined our Company on August 28, 2018, he was not paid any compensation during Fiscal 2018.

**Vivek Khanna** is the President (Accounts and Information Technology) of our Company since October 16, 2018. He joined our Company on January 16, 2018. He is a Chartered Accountant and has completed the Information Systems Audit (ISA) Assessment Test from Institute of Chartered Accountants of India and holds a Bachelors' Degree in Commerce (Honours) from Shri Ram College of Commerce, Delhi University. He has significant work experience of managing finance and accounts. Prior to joining our Company, he served Havells India Limited where the last designation held was as senior vice president (finance). He had been with Havells group for 28 years. During Fiscal 2018, he was paid gross compensation of ₹ 2.46 million.

*\*The remuneration does not include the liabilities for gratuity and leave encashment as they are provided on actuarial basis for the group as a whole.*

#### ***Relationship between our Key Management Personnel***

For details in relation to relationship between our Executive Directors, see “*Our Management –Relationship between our Directors*”.

Other than as stated above, there are no relationship between our Key Management Personnels.

#### ***Relationship between our Senior Management Personnel***

Exept as stated below, there is no relationship among our senior management personnels:

- Anil Hariani is a nephew of our Promoters and is a cousin of Bharat A. Jaisinghani, Kunal I. Jaisinghani and Nikhil R. Jaisinghani.
- Bharat A. Jaisinghani, Kunal I. Jaisinghani and Nikhil R. Jaisinghani are cousins, and sons of our Promoters, namely Ajay T. Jaisinghani, Inder T. Jaisinghani and Ramesh T. Jaisinghani, respectively.

All our Key Management Personnel and Senior Management Personnel are permanent employees of our Company.

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel and Senior Management Personnel were selected as members of our senior management.

#### ***Shareholding of Key Management Personnel***

For details of the shareholding of our Executive Directors, see “*Our Management - Shareholding of Directors in our Company*” on page 231. Except as stated above, none of our Key Management Personnel hold any Equity Shares.

#### ***Shareholding of Senior Management Personnel***

Except as stated below, none of our Senior Management Personnel hold any Equity Shares.

<b>Sr. No.</b>	<b>Name of the Senior Management Personnel</b>	<b>Number of Equity Shares</b>
1.	Bharat A. Jaisinghani	6,001,992
2.	Nikhil R. Jaisinghani	6,001,992
3.	Anil H. Hariani	5,820,363
4.	Kunal I. Jaisinghani	5,820,363
5.	Ramakrishnan Ramamurthi	2,737,000

#### ***Bonus or profit sharing plan of the Key Management Personnel and Senior Management Personnel***

Other than for Inder T. Jaisinghani who is entitled to a commission not exceeding 1% of the net profit of our Company, none of our Key Management Personnel and Senior Management Personnel is party to any bonus or profit sharing plan of our Company. However, our Company, on a discretionary basis, makes bonus/incentive payments to the Key Management Personnel at the end of every Fiscal Year.

#### ***Interests of Key Management Personnel and Senior Management Personnel***

The Key Management Personnel and Senior 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 business, and other than their directorship in Subsidiaries and Joint Ventures.

The Key Management Personnel and Senior Management Personnel may be regarded as interested in the Equity Shares held by them, if any, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares and to the extent of stock options held that may be granted to them from time to time under ESOP Plan 2018. For details of the ESOP Schemes, see “*Capital Structure – Employee Stock Option Plan*” on page 107.

Except for terms set forth in the appointment letters, our Key Management Personnel and Senior Management Personnel have not entered into any other contractual arrangements with our Company or our Subsidiaries, as the case may be.

#### ***Changes in our Key Management Personnel and Senior Management Personnel***

For details of the changes in our Board of Directors, see “*Our Management - Changes in our Board of Directors in the last three years*” on page 232. The following table sets forth changes in our Key Management Personnel and Senior Management Personnel in the last three years:

<b>Sr. No.</b>	<b>Name</b>	<b>Date of change</b>	<b>Reason for change</b>
1.	Bharat A. Jaisinghani	October 16, 2018	Appointed as Director - FMEG Business (non-board member)
2.	Nikhil R. Jaisinghani	October 16, 2018	Appointed as Director - LDC Business (non-board member)
3.	Anil Hariani	October 16, 2018	Director - Commodities (non-board member)
4.	Alok Misra	October 16, 2018	Appointed as Executive President (Manufacturing, Cables and Wires)
5.	Manoj Verma	October 16, 2018	Appointed as Executive President and Chief Operating Officer (CE)
6.	Kunal I. Jaisinghani	October 16, 2018	Appointed as Head - Agri Products
7.	Vivek Khanna	October 16, 2018	President (Accounts and Information Technology)
8.	Anil Shipley	October 1, 2018	Appointed as Executive President and Chief Supply Chain Officer
9.	Suresh Kumar	August 28, 2018	Appointed as President (Strategy & Human Resources)

Sr. No.	Name	Date of change	Reason for change
10.	Gandharv Tongia	July 25, 2018	Appointed as Deputy Chief Financial Officer
11.	Ramakrishnan Ramamurthi	May 23, 2018	Appointed as Chief Executive
12.	Rajesh Mhatre	June 30, 2017	Appointed as President (Supply Chain)
13.	Sanjeev Chhabra	August 19, 2016	Appointed as President (Treasury)
14.	Anurag Agarwal	June 22, 2016	Appointed as President (Strategic Initiatives & New Businesses)
15.	P. Chandrashekar	June 15, 2016	Resigned as the Chief Financial Officer
16.	Shashi Amin	May 23, 2016	Appointed as President, (Cables)

### ***Payment or Benefit to officers of our Company***

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, and other than entitlement of severance package to Ramakrishnan Ramamurthi of his then prevailing salary for a period of six months, no officer of our Company, including our Directors, Key Management Personnel and Senior Management Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company. Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company.

Further, other than the loan of ₹ 3.00 million availed by Suresh Kumar from our Company, no loans have been availed by our Directors or the Key Management Personnel and Senior Management Personnel from our Company.

Other than as disclosed in "Related Party Transactions" beginning on page 254, respectively, none of the beneficiaries of loans, advances or sundry debtors of our Company are related to our Directors.

For details on related party transactions, please see "Related Party Transactions" on page 254.

For details of the ESOP Schemes, see "Capital Structure – Employee Stock Option Schemes" on page 107.

### **Corporate Governance**

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and other applicable SEBI regulations, in respect of corporate governance including constitution of our Board of Directors and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board of Directors' supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board of Directors has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board of Directors function either as a full board or through various committees constituted to oversee specific functions.

Currently, our Board of Directors has eight Directors. In compliance with the requirements of the SEBI Listing Regulations, we have four Executive Directors and four Non-executive Directors who are Independent Directors, including one woman director on our Board of Directors.

### **Committees of the Board**

In addition to the committees of the Board detailed below our Board of Directors may, from time to time constitute committees for various functions.

#### ***Audit Committee***

The members of the Audit Committee are:

1. Tilokchand Punamchand Ostwal (Chairman);
2. Radhey Shyam Sharma (Member);
3. Pradeep N. Poddar (Member); and
4. Shyam Lal Bajaj (Member).

The Audit Committee was constituted on September 20, 2018. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference include the following:

- a) overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
- c) reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- d) approving payments to statutory auditors for any other services rendered by the statutory auditors;
- e) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii) changes, if any, in accounting policies and practices and reasons for the same;
  - iii) major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) significant adjustments made in the financial statements arising out of audit findings;
  - v) compliance with listing and other legal requirements relating to financial statements;
  - vi) disclosure of any related party transactions; and
  - vii) modified opinion(s) 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) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- h) approval or any subsequent modification of transactions of the Company with related parties;
- i) scrutinizing of inter-corporate loans and investments;
- j) valuation of undertakings or assets of the Company, wherever it is necessary;
- k) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- l) evaluating of internal financial controls and risk management systems;
- 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) discussing with internal auditors of any significant findings and follow up there on;
- p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- q) discussing 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) reviewing the functioning of the whistle blower mechanism;
- t) approving of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
- u) carrying out any other function as is mentioned in the terms of reference of the audit committee and any other terms of reference as may be decided by the board and/or specified/provided under the Companies Act or the Listing Regulations or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

- a) management's discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses;
- e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- f) statement of deviations:
  - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
  - ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the Listing Regulations.

#### ***NRC Committee***

The members of the NRC Committee are:

1. Radhey Shyam Sharma (Chairman);
2. Tilokchand Punamchand Ostwal (Member); and
3. Hiroo Mirchandani (Member).

The NRC Committee was constituted on September 20, 2018. The scope and function of the NRC Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the NRC Committee include the following:

- a) formulating of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) formulating the criteria for evaluation of performance of independent directors and the board of directors;
- c) devising a policy on board diversity;
- d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the board of directors their appointment and removal; and carrying out evaluations of every director's performance;
- e) determining 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;
- f) analysing, monitoring and reviewing various human resource and compensation matters;
- g) determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

- h) determining compensation levels payable to the senior management personnel (as deemed necessary), which shall be market related, usually consisting of a fixed and variable component;
- i) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- j) performing 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;
- k) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
  - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- l) performing such other activities as may be delegated by the board and/or specified/provided under the Companies Act or the Listing Regulations, or by any other regulatory authority.

### ***Stakeholders Relationship Committee***

The members of the Stakeholders Relationship Committee are:

1. Pradeep N. Poddar (Chairman);
2. Hiroo Mirchandani (Member); and
3. Shyam Lal Bajaj (Member).

The Stakeholders Relationship Committee was constituted by our Board on September 20, 2018. The scope and functions of the Stakeholder Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee includes the following:

- a) the Committee shall consider and resolve the grievances of the security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
- b) investigating complaints relating to 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; and
- d) carrying out any other function as may be decided by the board or prescribed under the Companies Act, 2013, the Listing Regulations, or by any other regulatory authority;
- e) review the working of the Registrar and Transfer Agents of the Company.

### ***CSR Committee***

The members of the CSR Committee are:

1. Inder. T. Jaisinghani (Chairman);
2. Ajay. T. Jaisinghani (Member);
3. Hiroo Mirchandani (Member); and
4. Pradeep N. Poddar (Member).

The CSR Committee was constituted by our Board on September 20, 2018. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms and reference of the CSR Committee include the following:

- a) to formulate and recommend to the board, the CSR policy which shall indicate the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013;
- b) to recommend the amount of expenditure to be incurred on the CSR activities;
- c) to monitor the CSR policy and its implementation by the Company from time to time; and to perform such other functions or responsibilities and exercise such other as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013 and the rules framed thereunder.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are:

1. Inder T. Jaisinghani;
2. Ajay T. Jaisinghani;
3. Ramesh T. Jaisinghani ; and
4. Girdhari T. Jaisinghani.

As on date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold, in aggregate, 111,472,029 Equity Shares, representing 78.94% of the issued and paid-up equity share capital of our Company. For details, see “*Capital Structure – Notes to Capital Structure – History of the equity share capital held by our Promoters*” and “*Capital Structure – Notes to Capital Structure – Shareholding of our Promoters and Promoter Group*” on page 101 and 104, respectively.

### Details of our Promoters

#### 1. Inder T. Jaisinghani



Inder T. Jaisinghani, aged 65 years, is the Chairman and Managing Director of our Company. He is a partner in A.K. Enterprises and a karta in Indur Jaisinghani HUF. For details of his other directorships and biography, see “*Our Management – Other Directorships*” and “*Our Management – Brief Biographies of Directors*” on pages 226 and 228, respectively.

The driving license number of Inder T. Jaisinghani is MH01 20160025645. His voter identification number is ZHS1639293.

#### 2. Ajay T. Jaisinghani



Ajay T. Jaisinghani, aged 66 years, is the Whole-Time Director of our Company. He is a partner in A.K. Enterprises, trustee in Hope India Trust and a karta in Tolaram T Jaisinghani HUF. For details of his other directorships and biography, see “*Our Management – Other Directorships*” and “*Our Management – Brief Biographies of Directors*” on pages 226 and 228, respectively.

Ajay T. Jaisinghani does not possess a driving license. His voter identification number is MT/06/033/168017.

### 3. Ramesh T. Jaisinghani



Ramesh T. Jaisinghani, aged 62 years, is the Whole-Time Director of our Company. He is a partner in Exito Finmart LLP and A.K. Enterprises. Further, he is a karta in Ramesh Thakurdas Jaisinghani HUF.

For details of his other directorships and biography, see “*Our Management – Other Directorships*” and “*Our Management – Brief Biographies of Directors*” on pages 226 and 228, respectively.

The driving license number of Ramesh T. Jaisinghani is MH0220100093297 and his voter identification number is ROL3751195.

### 4. Girdhari T. Jaisinghani



Girdhari T. Jaisinghani, aged 73 years, is a Promoter of our Company. He resides at 801/802, Morning Glory, Plot No. 223/224, St. Andrews Road, Bandra (West), Mumbai 400 050 and has passed the intermediate examination in science from the University of Bombay. In the past, he has been involved in managing the family business at the electrical shop named Sind Electricals in Mumbai from 1968 until 1996. He holds directorship in Microcab Industries and Logistics Private Limited and is a karta in Girdhari T. Jaisinghani HUF.


The driving license number of Girdhari T. Jaisinghani is MH020080132803 and his voter identification number is FLN0904763.

Our Company confirms that the PAN, bank account number and passport number of our Promoters will be submitted to the Stock Exchanges, at the time of filing of this Draft Red Herring Prospectus.

#### Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their respective shareholding in our Company and the dividends payable, any other distributions in respect of the Equity Shares held by them, to the extent of their directorships in Subsidiaries and Joint Ventures, and to the extent of being Executive Directors of our Company and the remuneration payable by our Company to them. For details on the shareholding of our Promoters in our Company, please see “*Capital Structure – Notes to the Capital Structure – History of the equity share capital held by our Promoters*” on page 101.

Our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with SEBI. However, Inder T. Jaisinghani is interested in our Company to the extent of the rental income of ₹ 0.10 million, per annum, pursuant to a lease agreement entered into by him with our Company in respect of a property in Coimbatore.

Additionally, the old corporate label , registered under class 9 of the Trademarks Act, is owned and registered in the name of one of our Promoters and the Chairman and Managing Director, Inder T. Jaisinghani. The old corporate logo is currently being used by our Company for limited aspects of our business such as old packages and on the letterheads of certain invoices raised by us. In addition, we have entered into an assignment deed dated September 28, 2018, in terms of which, the rights, title and interests of Inder T. Jaisinghani and all the benefits in the intellectual properties in connection with the old logo, together with goodwill accrued to them, have been assigned and transferred to our Company, for a consideration amount ₹ 1. Per this assignment deed, Inder T. Jaisinghani has ratified the use of the old logo by our Company, until the effective date i.e. September 28, 2018.

Our Company has entered into a rent agreement with A.K. Enterprises (“**AK Rent Agreement**”), a partnership firm, where our Promoters, namely, Inder T. Jaisinghani, Ajay T. Jaisinghani and Ramesh T. Jaisinghani are partners along with Kunal I. Jaisinghani, in terms of which A.K. Enterprises has rented out a godown owned by it, to our Company for a period of two years, up to September 30, 2019. In terms of the AK Rent Agreement, our Company is required to pay a monthly rent of ₹ 2.06 million to A.K. Enterprises.

For details on related party transactions, please see “*Related Party Transactions*” on page 254 and “*Risk Factors- Internal Risk Factors - Other interests of our Promoter and Chairman and Managing Director in our Company, other than normal remuneration or benefits or reimbursement of expenses incurred*” on page 42.

None of our Promoters have any interest in any venture that is involved in any activities similar to those conducted by our Company.

None of our Promoters are related to any sundry debtors of our Company.

None of our Promoters are interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Except as stated otherwise in the “*Related Party Transactions*” on page 254, none of our Promoters are interested in any transaction for acquisition of land, construction of building and supply of machinery to be acquired by our Company.

Except as disclosed in this Draft Red Herring Prospectus, our Promoters or Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or Directors or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

#### **Payment or Benefits to Promoters or Promoter Group**

Except as stated otherwise in the “*Related Party Transactions*” on page 254 and execution of brand-licensing agreements as stated in “*History and Certain Corporate Matters – Other Agreements*” on page 219, there has been no payment, benefit or transactions to / among our Promoters or Promoter Group during the two years prior to the filing 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.

Further between April 1, 2018 to October 5, 2018, the following payments have been made to certain of our Promoter Group, as stated below:

- (i) A remuneration of ₹ 6.80\* million has been paid to Nikhil R. Jaisinghani, son of our Executive Director, Ramesh T. Jaisinghani;
- (ii) A remuneration of ₹ 6.80\* million has been paid to Bharat A. Jaisinghani, son of our Executive Director, Ajay T. Jaisinghani; and
- (iii) A remuneration of ₹ 0.63 million has been paid to Kunal I. Jaisinghani, son of our Executive Director, Inder T. Jaisinghani.

\* The remuneration amount is inclusive of the variable pay of Fiscal 2018 which became payable in August, 2018.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any companies or firms during the three years preceding the date of filing of this Draft Red Herring Prospectus except as below:

<b>Sr. No.</b>	<b>Name of company</b>	<b>Name of the Promoters</b>	<b>Reason for disassociation</b>	<b>Date of disassociation</b>
1.	Arete Electricals Private Limited	Inder T. Jaisinghani	Strike off	March 8, 2018
2.	Jaisingh Wires Private Limited	Inder T. Jaisinghani Ajay T. Jaisinghani Girdhari T. Jaisinghani	Amalgamation	May 22, 2016
3.	Polycab Wires Industries Private Limited	Inder T. Jaisinghani Ajay T. Jaisinghani Ramesh T. Jaisinghani	Amalgamation	May 22, 2016

Sr. No.	Name of company	Name of the Promoters	Reason for disassociation	Date of disassociation
		Girdhari T. Jaisinghani		
4.	Polycab Electronics Private Limited	Inder T. Jaisinghani Ajay T. Jaisinghani Ramesh T. Jaisinghani	Amalgamation	May 22, 2016
5.	Datar Nouveau Energietechnik Limited	Inder T. Jaisinghani	Amalgamation	May 22, 2016
6.	Polycab Electrical Industries Private Limited	Inder T. Jaisinghani	Amalgamation	May 22, 2016
7.	Balaji Reels Private Limited	Inder T. Jaisinghani	Strike off	December 26, 2015

### Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

### Guarantees

Other than the personal guarantee given by Ajay T. Jaisinghani on behalf of his son, Bharat A. Jaisinghani, in respect of a home loan of ₹ 330 million, none of our Promoters have given any guarantee to a third party as of the date of this Draft Red Herring Prospectus.

### Confirmations

Our Company has not made any payments in cash or shares or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Other than the royalty agreement entered into by one of our Promoter Group, Lite Technology Co. Private Limited, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company. For details, see “*History and Certain Corporate Matters – Other Agreements*” on page 219. Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

### Promoter Group

Persons constituting the Promoter Group of our Company (other than our Promoters) are set out below:

1. Aarti Ajay Jaisinghani
2. Akansha Punjabi
3. Asha Devi Kishinchand
4. Ashok Kumar Kundnani
5. Bharat A. Jaisinghani
6. Deepika Sehgal
7. Girish Ramchand Ranglani
8. Hari Ram Gobind Ram Panjwani
9. Johnny K Sajnani
10. Juhi Hemant Ramnani
11. Kalpana Sharma

12. Kamla Shri Kishinchand Hiranand
13. Kanika Subhas Motihar
14. Karina C Moriani
15. Kavita Lakhmichand Dhankani
16. Kiara Amit Duhlani
17. Kishor Shri Kishinchand
18. Kumar Kishinchand
19. Kunal I. Jaisinghani
20. Lajwanti Shrikishinchand
21. Manju Ghanshamdas Ahuja
22. Manoj Kumar Kundnani
23. Meenakumari Indur Jaisinghani
24. Mohini H Panjwani
25. Mrinalini Ramesh Jaisinghani
26. Nikhil R. Jaisinghani
27. Priti Umesh Rochlani
28. Pushpa Shri Kishinchand
29. Rajeev Hariram Panjwani
30. Rajkumari
31. Raju Girdharidas Jaisinghani
32. Rani Anil Hirani
33. Reina R Jaisinghani
34. Reshma Manish Kukreja
35. Rita Hariram Hariani
36. Sanjay Hariram Panjwani
37. Satish Ramchand Ranglani
38. Seema Ravi Belani
39. Shikha Indur Jaisinghani
40. Shobha Hariram
41. Vanita Shankerdas Moriani
42. Veena Shri Kishinchand Hiranand
43. Vinita Gulab Gulabani
44. Vishnu Hariram Panjwani



Entities constituting the Promoter Group of our Company are set out below:

1. 921 Division 100
2. A K Enterprises
3. ABC International INC
4. Ahuja Plywood (P) Ltd.
5. All About Furniture LLP
6. Buddy Mansion Company Limited/Thailand
7. Devkush Industries Private Limited
8. Ekta International
9. Exito Finmart LLP
10. Girdhari T Jaisinghani HUF
11. Hope India Trust
12. Inder T Jaisinghani HUF
13. J&V Brand Management Co LLC/USA
14. Jaisingh Finance Private Limited
15. Johnny's Signature Inc/USA
16. Johnny's Signature International Inc./USA
17. JSM Funding/USA
18. Laxmi International
19. Laxmi Soap Factory
20. Lushlife Properties LLP
21. Lite Technology Co. Private Limited
22. M. Chuharmall Sdn Bhd
23. Manoj Kumar Ashok Kumar
24. Manoj Kumar Ashok Kumar
25. Mercantile Credit Inc /USA
26. Michigan Bean Company LLC
27. Microcab Industries & Logistics Private Limited
28. Monisco Lifestyle
29. My Family Holiday LLP
30. Nostradamus
31. Ramesh T Jaisinghani HUF
32. Sinar Emas Enterprise
33. Tolaram T Jaisinghani HUF

34. Vs4 LLC
35. Walker Creek Partners LLC
36. 108 Lifespaces LLP
37. Vini's Creations Inc
38. Vinni's Salon & Spa
39. Zee Furniture Sdn. Bhd.
40. Zeny's Collection Company Limited/Thailand

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on October 24, 2018, group companies of our Company are those companies (A) which constitute part of the related parties of our Company under the applicable accounting standards and as disclosed in Restated Consolidated Financial Statements of our Company as at and for the three months period ended June 30, 2018; and (B) any other companies which may be considered material by our Board.

Pursuant to the aforesaid resolution of our Board, for the purpose of disclosure in relation to the Offer, the following companies have been considered material and disclosed as a Group Company: (a) which contribute materially to the total income or the net worth of our Company, i.e., 5% or more of the total income /expenditure or the net worth of our Company as per the Restated Consolidated Financial Statements of our Company as at and for Fiscal 2018; and (b) companies in which our Company or its promoters holds 10% or more of the share capital. Accordingly, in terms of the policy adopted by our Board of Directors for determining group companies, we have set out below the details of our Group Companies. Our Board of Directors has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the companies disclosed below:

1. D J Electricals Private Limited;
2. Jaisingh Finance Private Limited;
3. Microcab Industries and Logistics Private Limited; and
4. Tirupati Tradelinks Private Limited.

### Details of the top four Group Companies

The top four Group Companies on the basis of turnover are as follows:

#### 1. D J Electricals Private Limited (“D J Electricals”)

##### *Corporate information*

D J Electricals was incorporated as a private limited company on January 23, 2006 under the Companies Act, 1956. Its registered office is situated at 47/47 A, Satguru Ind. Estate, off Aarey Road, Goregaon (E), Mumbai – 400 063. It is involved in the business of manufacturing of electrical goods.

##### *Interest of our Promoters*

None of our promoters have an interest in D J Electricals.

##### *Financial Performance*

The following table sets forth details derived from the audited financial statements of D J Electricals for the Fiscals 2018, 2017 and 2016, being the last three audited Fiscals:

*(Figures in ₹ million except per share data)*

Particulars	Fiscal		
	2018	2017	2016
Equity capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	3.93	1.98	2.13
Revenue from operations / Turnover (Income)	54.96	50.49	50.16
Profit / (Loss) after tax	1.94	(0.15)	0.63
Earnings per share (Basic)	194	(15.38)	62.88
Earnings per share (Diluted)	194	(15.38)	62.88
Net asset value per share	403	208	223

There are no significant notes or qualifications or adverse remarks of the auditors in relation to the aforementioned financial statements.

## 2. Jaisingh Finance Private Limited (“Jaisingh Finance”)

### Corporate Information

Jaisingh Finance was incorporated as a private limited company on May 12, 2008 under the Companies Act, 1956. Its registered office is situated at Hico House, 1st Floor, Pandit Satwalekar Marg, Mahim (W), Mumbai – 400 016. It is involved in the business of non banking finance activities.

### Interest of our Promoters

Our Promoters Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani, and Girdhari T. Jaisinghani are also directors of Jaisingh Finance and except as stated below, our Promoters have no interest in Jaisingh Finance:

Sr. no.	Name of the Shareholder	No. of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1	Inder T. Jaisinghani	502,000	24.95
2	Ajay T. Jaisinghani	502,000	24.95
3	Ramesh T. Jaisinghani	502,000	24.95
4	Girdhari T. Jaisinghani	502,000	24.95
5	Reina R. Jaisinghani <sup>**</sup>	2,000	0.10
6	Aarti A. Jaisinghani <sup>**</sup>	2,000	0.10
<b>Total</b>		<b>2,012,000</b>	<b>100</b>

\* Reina R. Jaisinghani, wife of Ramesh T. Jaisinghani, holds 0.10% of the total equity holding in her individual capacity.

\*\* Aarti A. Jaisinghani, wife of Ajay T. Jaisinghani, holds 0.10% of the total equity holding in her individual capacity.

### Financial Performance

The following table sets forth details derived from the audited financial statements of Jaisingh Finance for the Fiscals 2018, 2017 and 2016, being the last three audited Fiscals:

(Figures in ₹ million except per share data)

Particulars	Fiscal		
	2018	2017	2016
Equity capital	20.12	20.12	20.12
Reserves and surplus (excluding revaluation reserves)	27.34	25.43	22.82
Revenue from operations / Turnover (Income)	11.62	14.88	14.7
Profit / (Loss) after tax	1.90	2.61	2.16
Earnings per share (Basic)	0.95	1.3	1.07
Earnings per share (Diluted)	0.95	1.3	1.07
Net asset value per share	23.58	22.64	21.34

Except as disclosed below, there are no significant notes or qualifications or adverse remarks of the auditors in relation to the aforementioned financial statements.

- 1) The company has not deposited any specified bank notes as defined in the Notification s.o 3407 (E) dated November 8, 2016 to the Ministry of Finance during the period November 8, 2016 to December 30, 2016 as verified from the books of accounts of the company.
- 2) According to the information and explanation given to us the company has not obtained registration u/s 45IA of the RBI Act. We have been informed that the company is in the process of evaluating various options available to the company with said provisions.

## 3. Microcab Industries & Logistics Private Limited (“Microcab”)

### Corporate information

Microcab was incorporated as a private limited company on March 29, 2006 under the Companies Act, 1956. Its registered office is situated at Lawyers Chambers Unit No. 20, 1<sup>st</sup> Floor, Picket Road, Mumbai 400 002. It is involved in the business of cargo handling.

### ***Interest of our Promoters***

Our Promoters, Inder T. Jaisinghani and Girdhari T. Jaisinghani are directors of Microcab.

Further, except as stated below, our Promoters have no interest in Microcab:

<b>Sr. no.</b>	<b>Name of the Shareholder</b>	<b>No. of equity shares of face value ₹ 100 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Girdhari T. Jaisinghani	500	50

### ***Financial Performance***

The following table sets forth details derived from the audited financial statements of Microcab for the Fiscals 2018, 2017 and 2016, being the last three audited Fiscals:

*(Figures in ₹ million except per share data)*

<b>Particulars</b>	<b>Fiscal</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Equity capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	9.89	4.77	1.60
Revenue from operations / Turnover (Income)	10.37	9.27	9.23
Profit / (Loss) after tax	5.12	3.17	5.33
Earnings per share (Basic)	5,119.32	3,167.50	5,327.50
Earnings per share (Diluted)	5,119.32	3,167.50	5,327.50
Net asset value per share	9,987.93	4,868.60	1,701.80

There are no significant notes or qualifications or adverse remarks of the auditors in relation to the aforementioned financial statements.

#### **4. Tirupati Tradelinks Private Limited (“Tirupati Tradelinks”)**

##### ***Corporate information***

Tirupati Tradelinks was incorporated as a private limited company on March 31, 1997 under the Companies Act, 1956. Its registered office situated at E-107, 1st Floor, Greater Kailash – II, New Delhi - 110048. It is involved in the business of trading and sawing of logs, timber and other items.

##### ***Interest of our Promoters***

None of our promoters have an interest in Tirupati Tradelinks.

##### ***Financial Performance***

The following table sets forth details derived from the audited financial statements of Tirupati Tradelinks for the Fiscals 2018, 2017 and 2016, being the last three audited Fiscals:

*(Figures in ₹ million except per share data)*

<b>Particulars</b>	<b>Fiscal</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Equity capital	13.54	13.54	13.54
Reserves and surplus (excluding revaluation reserves)	40.08	37.16	36.11
Revenue from operations / Turnover (Income)	365.44	249.74	279.94
Profit / (Loss) after tax	2.92	1.05	1.87
Earnings per share (Basic)	2.15	0.78	1.85
Earnings per share (Diluted)	2.15	0.78	1.85
Net asset value per share	39.59	37.44	36.66

There are no significant notes or qualifications or adverse remarks of the auditors in relation to the aforementioned financial statements.

##### **Other Information**

###### **A. Group Companies under winding up**

None of our Group Companies are under winding up.

**B. Group Companies which are sick industrial companies in the erstwhile SICA or equivalent thereof under the Insolvency and Bankruptcy Code, 2016**

None of our Group Companies have been declared as insolvent under the provisions of the Insolvency and Bankruptcy Code, 2016 or declared as a sick company under the provisions of the erstwhile SICA.

**C. Group Companies with negative net-worth:**

None of our Group Companies have negative net-worth.

**D. Loss making Group Companies:**

None of our Group Companies are loss-making.

**E. Defunct Group Companies**

None of our Group Companies remain defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies, during the five years preceding the date of this Draft Red Herring Prospectus.

**F. Nature and Extent of Interest of Group Companies**

(a) *In the promotion of our Company or any business interest in our Company*

None of our Group Companies have any interest in the promotion of our Company or any business interest in our Company.

(b) *In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with SEBI*

None of our Group Companies is interested in the properties acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus, or proposed to be acquired.

(c) *In transactions for acquisition of land, construction of building and supply of machinery.*

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

(d) *Common Pursuits among our Group Companies with our Company*

None of Group Companies are involved in activities related to our business and accordingly, there are no common pursuits among such Group Companies and our Company.

**G. Related Business Transactions with our Group Companies and Significance on the Financial Performance of our Company**

Other than the transactions disclosed in “*Related Party Transactions*” on page 254, there are no other related business transactions with our Group Companies.

**H. Sale / Purchase between Group Companies**

Except as disclosed in “*Related Party Transactions*” on page 254, our Company is not involved in any sales or purchases with any of our Group Companies where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

**I. Other confirmations**

(a) None of our Group Companies have taken unsecured loans which can be recalled by the lenders at any time.

(b) No portion of the Fresh Issue proceeds is proposed to be paid to our Group Companies.

(c) None of our Group Companies are listed on stock exchanges in India or abroad, or have undertaken any public issue or rights issue in the last three years.

(d) None of our Group Companies have failed to list on any stock exchange in India or abroad

For further confirmations, see “*Other Regulatory and Statutory Disclosures – Prohibition with respect to wilful defaulters*” and “*Other Regulatory and Statutory Disclosures – Prohibition by SEBI or other Authorities*” each on page 542.

For details of litigation pertaining to Group Companies, see “*Outstanding Litigation and Material Developments – Litigation involving our Group Companies*” on page 535.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as per the requirements under (i) AS 18 ‘Related Party Disclosures’ for Fiscals 2014 and 2015, and (ii) Ind AS 24 ‘Related Party Disclosures’ for Fiscals 2016, 2017 and 2018 and three months period ended June 30, 2018, and as reported in the Restated Financial Statements, see “Restated Previous GAAP Consolidated Summary Statement of Related party disclosures” beginning on page 372 and “Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures” beginning on page 494, respectively, and see “Restated Ind AS Consolidated Summary Statement of Related party disclosures” on page 313 and “Restated Ind AS Unconsolidated Summary Statement of Related party disclosures” on page 437, respectively.



## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the 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 capital requirements, applicable legal restrictions, and overall financial position of our Company.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "Risk Factors – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition." on page 41.

The following table sets forth details of dividend paid by our Company in the last five Fiscals:

	2018	2017	2016	2015	2014
Number of Equity Shares	141,205,838	141,205,838	141,205,838	70,602,919	70,602,919
Interim Equity Dividend per Equity Share (in ₹) (A)	1.00	1.00	1.25	1.00	-
Equity Dividend per Equity Share (in ₹) (B)	-	-	0.50	1.00	-
Total Equity Dividend per Equity Share (in ₹) (A+B)	1.00	1.00	1.75	2.00	-
Rate of Interim Equity Dividend	10.00%	10.00%	12.50%	10.00%	-
Rate of Equity Dividend	-	-	5.00%	10.00%	-
Rate of dividend	10.00%	10.00%	17.50%	20.00%	-
Interim Equity Dividend	141.21	141.21	176.51	70.60	-
Final Equity Dividend	-	-	70.60	70.60	-
Amount of Dividend (in ₹ million)	141.21	141.21	247.11	141.20	-
Dividend distribution tax on Interim Equity Dividend	-	-	-	11.19	-
Dividend Distribution tax on Final Equity Dividend	-	-	-	12.89	-
Tax on Interim Equity Dividend	28.75	28.75	35.93	-	-
Tax on Final Equity Dividend	-	-	14.37	-	-
Dividend Distribution Tax (in ₹ million)	28.75	28.75	50.30	24.00	-

*Note: Dividend was paid by way of interim dividends during the Financial Years 2018, 2017, 2016 and 2015.*

**SECTION V: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

*[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]*

**Auditors' Report on the Restated Consolidated Summary Statements of Assets and Liabilities as at June 30, 2018, March 31, 2018, 2017 and 2016, Restated Consolidated Summary Statement of Profits and Losses, Restated Consolidated Summary Statement of Cash Flows and Restated Consolidated Summary Statement of Changes in Equity for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 of Polycab India Limited ( Formerly known as Polycab Wires Limited) (collectively, the "Restated Ind AS Consolidated Summary Statements")**

To  
The Board of Directors  
Polycab India Limited (formerly known as Polycab Wires Limited),  
E-554, Greater Kailash –II,  
South Delhi,  
New Delhi – 110048  
India

Dear Sirs,

1. We S R B C & CO LLP, Chartered Accountants ("we" or "us" or "SRBC") have examined the attached Restated Ind AS Consolidated Summary Statements of Polycab India Limited ( formerly known as Polycab Wires Limited) (the "Company") and its subsidiaries and its joint ventures (together referred as the "Group") as at and for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 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") of equity shares of face value of Rs 10 each. The Restated Ind AS Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); 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 Ind AS Consolidated Summary Statements**

2. The preparation of the Restated Ind AS Consolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Ind AS Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the ICDR Regulations.

**Auditors' Responsibilities**

3. We have examined such Restated Ind AS Consolidated Summary Statements taking into consideration:
  - a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 6, 2018, 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 "Guidance Note"); and
  - c. the requirements of Section 26 of the Act 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 management has informed that the Company proposes to make an IPO, which comprise of fresh issue of equity shares, having a face value of `Rs 10 each, and an offer for sale by certain shareholders of existing equity shares of Rs 10 each at such premium, arrived by the book building process (referred to as the “Offer”), as may be decided by the Company’s Board of Directors.

**Restated Ind AS Consolidated Summary Statements as per audited Consolidated financial statements:**

5. The Restated Ind AS Consolidated Summary Statements have been compiled by the management of the Company from:
- a) the audited consolidated financial statements of the Group as at and for the three months ended June 30, 2018, prepared in accordance with Ind AS which have been approved by the Board of Directors at their meetings held on October 24, 2018;
  - b) the audited consolidated financial statements of the Group as at and for the year ended March 31, 2018, prepared in accordance with Ind AS which have been approved by the Board of Directors at their meetings held on August 8, 2018;
  - c) the audited consolidated financial statements of the Group as at and for the year ended March 31, 2017, prepared in accordance with Ind AS which also included comparative financial information for the year ended March 2016 and opening balance sheet as at April 1, 2015 prepared by the Group using recognition and measurement principles of Ind-AS, such financial statements having been approved by the Board of Directors at their meeting held on September 25, 2017; and
  - d) the audited consolidated financial statements of the Group as at and for the year ended March 31, 2016 prepared in accordance with accounting principles generally accepted in India (“Previous GAAP”) at the relevant time which have been approved by the Board of Directors at their meetings held on December 15, 2016 ; and
  - e) the financial information in relation to the Company’s subsidiaries and joint ventures as listed below, are audited by the other auditors and included in the consolidated financial statements:

<b>Name of the entity</b>	<b>Name of the audit firm</b>	<b>Relationship</b>	<b>Period covered</b>
Ryker Base Private Limited	Kailash Chand Jain & Company	Joint Venture	As at and for the three months ended June 30, 2018 and as at and for the years ended March 31, 2018 and 2017
Techno Electromech Private Limited	Maloo Bhatt & Company	Joint Venture	As at and for the three months ended June 30, 2018 and as at and for the

Name of the entity	Name of the audit firm	Relationship	Period covered
			years ended March 31, 2018 and 2017
Tirupati Reels Private Limited	Sanjay Chopra & Co	Subsidiary	As at and for the three months ended June 30, 2018 and as at and for the years ended March 31, 2018 , 2017 and 2016
Dowells Cable Accessories Private Limited	M/s Arvind Raman & Co	Subsidiary	As at and for the three months ended June 30, 2018 and as at and for the years ended March 31, 2018 ,2017 and 2016

- f) the financial information in relation to one subsidiary Polycab Wires Italy SRL is audited by another auditor Associazione Professionale Studi Maurizio Godoli under generally accepted principles in its country. The Company's management has converted the financial statements from accounting principles accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management for the three months ended June 30, 2018 and for the year ended March 31, 2018.
- g) the financial information in relation to the Company's subsidiaries as listed below, which are unaudited and included in the consolidated financial statements :

Name of the entity	Relationship	Period covered
Polycab Wires Italy SRL	Subsidiary	As at and for the year ended March 31, 2017 and 2016
Jaisingh Wires FZE/Ras Al Khaima, UAE	Subsidiary	As at and for the year ended March 31, 2016.

6. For the purpose of our examination, we have relied on:

- a) Auditors' Report issued by us dated October 24, 2018, August 8, 2018 and September 25, 2017 on the Ind AS Consolidated financial statements of the Group as at and for the three months ended June 30, 2018 and for the years ended March 31, 2018 and 2017 respectively, as referred in Para 5(a), 5(b) and 5(c) above;
- b) Auditors report issued by us dated December 15, 2016 on the Consolidated financial statements of the Group as at and for the year ended March 31, 2016, as referred in Para 5(d) above;

- c) As indicated in our audit reports referred to above, we did not audit the financial statements of certain subsidiaries and joint ventures as referred in Para 5(e) above, whose financial statements reflect total assets, total revenues and net cash inflows / (outflows) for the relevant year as tabulated below and included in the Restated Ind AS Consolidated Summary Statements:

(Rs in million)

As at and for the Period/ year ended	Total Assets	Total revenues	Total Net Cash Inflows / (Outflows)	Total net assets
June 30, 2018	461.64	154.67	(3.37)	92.71
March 31, 2018	428.90	424.60	(11.90)	87.90
March 31, 2017	253.60	186.30	2.00	66.20

(Rs in million)

As at and for the year ended	Total Assets	Total revenues	Total Net Cash Inflows / (Outflows)
March 31, 2016	91.34	0.27	(14.16)

As indicated in our audit reports referred to above, we did not audit the financial statements of joint ventures as referred in Para 5(e) above, whose group share of net profit for the relevant years as tabulated below and included in the Restated Ind AS Consolidated Summary Statements

(Rs in million)

As at and for the year ended	Net Profit ( Loss)
June 30, 2018	(34.50)
March 31, 2018	1.06
March 31, 2017	(3.29)

These financial statements have been audited by other firms of Chartered Accountants as listed in Para 5(e) above whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Ind AS Consolidated Summary Statements are based solely on the report of other auditors.

These other auditors, as mentioned in paragraph 5(e) of the subsidiaries and joint ventures, have confirmed that the Restated Ind AS financial information of such subsidiaries and joint ventures:

- i) do not require any material adjustments for the changes in accounting policies, as the application of changes in accounting policies retrospectively does not have material impact as at and for the three months ended June 30, 2018 and for the year ended March 31, 2018, 2017 and 2016 to reflect the same accounting treatment as per changed accounting policy for all the respective reporting periods;
- ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate; and
- iii) as per the requirements of Ind AS do not contain any extra-ordinary items that need to be disclosed separately in the Restated Ind AS Consolidated Summary Statements and do not contain any qualification requiring adjustments.

- d) As indicated in our audit reports referred to above, we did not audit the financial statements of one subsidiary as referred in Para 5(f) above. Our opinion in so far as it relates to the amounts and disclosures of the subsidiary 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:

The financial statements of such subsidiary, as disclosed in our audit report dated October 24, 2018 reflect total assets, total net assets, total revenues and total net cash inflows/(outflows) as tabulated below and included in the Restated Ind AS Consolidated Summary statements:

(Rs in million)

As at and for the period ended	Total Assets	Total Net Assets	Total revenues	Total Net Cash Inflows / (Outflows)
June 30, 2018	59.66	18.40	8.62	(6.86)

- e) As indicated in our audit reports referred to above, the financial information in respect of certain subsidiaries has been included on the basis of unaudited financial statements as referred in Para 5(g) above, whose financial statements reflect total assets, total net assets, total revenues and net cash inflows / (outflows) for the relevant year as tabulated below and included in the Restated Ind AS Consolidated Summary Statements:

(Rs in million)

As at and for the year ended	Total Assets	Total Net Assets	Total revenues	Total Net Cash Inflows / (Outflows)
March 31, 2017	53.70	16.60	35.40	0.50

(Rs in million)

As at and for the year ended	Total Assets	Total revenues	Total Net Cash Inflows / (Outflows)
March 31, 2016	52.60	Nil	3.04

These financial statements and other financial information are solely based on the management certified accounts as listed in Para 5(g) above. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

7. Based on our examination, in accordance with the requirements of sub section(1) of Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Group contained in Restated Ind AS Consolidated Summary Statements, which as stated in the Annexure V to this report have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI – Statement of Restated Adjustments to Audited Ind AS Consolidated Financial Statements, read with paragraph 7(e) below:
- a) The Restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group as at June 30, 2018, March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure I to this report;

- b) The Restated Ind AS Consolidated Summary Statement of Profit and Loss of the Group for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure II to this report;
- c) The Restated Ind AS Consolidated Summary Statement of Cash Flow of the Group for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure III to this report;
- d) The Restated Ind AS Consolidated Summary Statement of Change in Equity of the Group for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure IV to this report; and
- e) Based on the above and according to the information and explanations given to us, we further report that the Restated Ind AS Consolidated Summary Statements of the Group, as attached to this report and as mentioned in paragraphs 7(a) to 7(d) above, read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 1 have been prepared in accordance with the Rules and the SEBI Regulations and these Restated Ind AS Consolidated Summary Statements that :
  - i) do not require any material adjustments for the changes in accounting policies, as the application of changes in accounting policies retrospectively does not have material impact as at and for the three months ended June 30, 2018 and for the year ended March 31, 2018 , 2017 and 2016 to reflect the same accounting treatment as per changed accounting policy for all the respective reporting periods;
  - ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate
  - iii) as per requirements of Ind AS, do not contain any extra-ordinary items that need to be disclosed separately in the Restated Ind AS Consolidated Summary Statements
  - iv) there are no qualifications in the auditors' reports on the audited consolidated financial statements of the Company as at June 30, 2018, March 31, 2018, 2017 and 2016 and for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 which require any adjustments to the Restated Ind AS Consolidated Summary Statements; and
  - v) Other audit modifications included in the Annexure to the auditors' report issued on the internal financial controls under clause (i) of Sub section 3 of Section 143 of the Companies Act 2013 are as follows:

A. For the year ended March 31, 2017

Qualified Opinion

The Company's internal financial control over cut-off procedures for recognition of revenue at the year-end and review of invoices raised for certain category of customers were not operating effectively which could have potentially resulted in under or over accrual of revenue and receivables in the financial statements.

B. For the year ended March 31, 2016

Disclaimer of Opinion

During the year, the Company implemented a new ERP system. According to the information and explanation provided to us, since the ERP system was under stabilization, the Company relied on its legacy and manual controls. Since the Company was not able to provide us with sufficient appropriate audit evidence on the system internal financial control over financial reporting based on the essential components as stated in the Guidance Note on Audit of Internal Financial Controls



Over Financial Reporting issued by the Institute of Chartered of Accountants of India we are unable to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting as at March 31, 2016.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2018. Accordingly, we express no opinion on the financial position, results of operations, cash flows and changes in equity of the Company as of any date or for any period subsequent to June 30, 2018.

**Other Financial Information:**

9. At the Company's request, we have also examined the following restated Ind AS consolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for the three months ended June 30, 2018 and as at and for the year ended March 31, 2018, 2017 and 2016:
- (i) Restated Ind AS Consolidated Summary Statement of Property, plant and equipment, enclosed as Annexure VII;
  - (ii) Restated Ind AS Consolidated Summary Statement of Intangible assets, enclosed as Annexure VIII;
  - (iii) Restated Ind AS Consolidated Summary Statement of Investment in Joint Venture, enclosed as Annexure IX;
  - (iv) Restated Ind AS Consolidated Summary Statement of Non-Current financial assets, enclosed as Annexure X;
  - (v) Restated Ind AS Consolidated Summary Statement of Non-current income tax assets (Net), enclosed as Annexure XI;
  - (vi) Restated Ind AS Consolidated Summary Statement of Other non-current assets, enclosed as Annexure XII;
  - (vii) Restated Ind AS Consolidated Summary Statement of Inventories, enclosed as Annexure XIII;
  - (viii) Restated Ind AS Consolidated Summary Statement of Current financial assets, enclosed as Annexure XIV;
  - (ix) Restated Ind AS Consolidated Summary Statement of Current income tax assets (Net), enclosed as Annexure XV;
  - (x) Restated Ind AS Consolidated Summary Statement of Other current assets, enclosed as Annexure XVI;
  - (xi) Restated Ind AS Consolidated Summary Statement of Assets classified as held for disposal, enclosed as Annexure XVII;
  - (xii) Restated Ind AS Consolidated Summary Statement of Equity share capital, enclosed as Annexure XVIII;
  - (xiii) Restated Ind AS Consolidated Summary Statement of Other equity, enclosed as Annexure XIX;
  - (xiv) Restated Ind AS Consolidated Summary Statement of Non-current financial liabilities, enclosed as Annexure XX;
  - (xv) Restated Ind AS Consolidated Summary Statement of Long term provisions, enclosed as Annexure XXI;
  - (xvi) Restated Ind AS Consolidated Summary Statement of Income taxes, enclosed as Annexure XXII;
  - (xvii) Restated Ind AS Consolidated Summary Statement of Other non-current liabilities, enclosed as Annexure XXIII;
  - (xviii) Restated Ind AS Consolidated Summary Statement of Current financial liabilities, enclosed as Annexure XXIV;
  - (xix) Restated Ind AS Consolidated Summary Statement of Other current liabilities, enclosed as Annexure XXV;
  - (xx) Restated Ind AS Consolidated Summary Statement of Short term provisions, enclosed as Annexure XXVI;
  - (xxi) Restated Ind AS Consolidated Summary Statement of Current tax liabilities (Net), enclosed as Annexure XXVII;

- (xxii) Restated Ind AS Consolidated Summary Statement of Revenue from operations, enclosed as Annexure XXVIII;
- (xxiii) Restated Ind AS Consolidated Summary Statement of Other income, enclosed as Annexure XXIX;
- (xxiv) Restated Ind AS Consolidated Summary Statement of Cost of materials consumed, enclosed as Annexure XXX;
- (xxv) Restated Ind AS Consolidated Summary Statement of Purchases of traded goods, enclosed as Annexure XXXI;
- (xxvi) Restated Ind AS Consolidated Summary Statement of Changes in Inventories of finished goods, traded goods and work-in-progress, enclosed as Annexure XXXII;
- (xxvii) Restated Ind AS Consolidated Summary Statement of Project bought outs and other cost, as enclosed Annexure XXXIII;
- (xxviii) Restated Ind AS Consolidated Summary Statement of Employee benefits expense, as enclosed Annexure XXXIV;
- (xxix) Restated Ind AS Consolidated Summary Statement of Other expenses, as enclosed Annexure XXXV;
- (xxx) Restated Ind AS Consolidated Summary Statement of Finance cost, as enclosed Annexure XXXVI;
- (xxxi) Restated Ind AS Consolidated Summary Statement of Depreciation and amortization expense, as enclosed Annexure XXXVII;
- (xxxii) Restated Ind AS Consolidated Summary Statement of Earnings per share (EPS), as enclosed Annexure XXXVIII;
- (xxxiii) Restated Ind AS Consolidated Summary Statement of Commitments and contingencies, as enclosed Annexure XXXIX;
- (xxxiv) Restated Ind AS Consolidated Summary Statement of Disclosure in terms of Ind AS 115 on the accounting of construction contract, as enclosed Annexure XL;
- (xxxv) Restated Ind AS Consolidated Summary Statement of Details of CSR expenditure, as enclosed Annexure XLI;
- (xxxvi) Restated Ind AS Consolidated Summary Statement of Gratuity and other post-employment benefit plans, as enclosed Annexure XLII;
- (xxxvii) Restated Ind AS Consolidated Summary Statement of Interest in joint ventures, as enclosed Annexure XLIII;
- (xxxviii) Restated Ind AS Consolidated Summary Statement of Related party disclosures, as enclosed Annexure XLIV;
- (xxxix) Restated Ind AS Consolidated Summary Statement of List of subsidiaries & joint ventures, as enclosed Annexure XLV;
- (xl) Restated Ind AS Consolidated Summary Statement of Segment information, as enclosed Annexure XLVI;
- (xli) Restated Ind AS Consolidated Summary Statement of Fair values measurements, as enclosed Annexure XLVII;
- (xlii) Restated Ind AS Consolidated Summary Statement of Fair value hierarchy, as enclosed Annexure XLVIII;
- (xliii) Restated Ind AS Consolidated Summary Statement of Financial risk management objectives and policies, as enclosed Annexure XLIX;
- (xliv) Restated Ind AS Consolidated Summary Statement of Hedging activity and derivatives, as enclosed Annexure L;
- (xlv) Restated Ind AS Consolidated Summary Statement of Capital management, as enclosed Annexure LI;
- (xlvi) Restated Ind AS consolidated Summary Statement of Capital Gearing Ratio, as enclosed Annexure LII;
- (xlvii) Restated Ind AS consolidated Summary Statement of Dividend Paid, as enclosed Annexure LIII;
- (xlviii) Restated Ind AS consolidated Summary Statement of Accounting Ratios, as enclosed Annexure LIV;
- (xlix) Restated Ind AS consolidated Summary Statement of Dissolution of Jaisingh wires FZE, as enclosed Annexure LV;
- (l) Restated Ind AS Consolidated Summary Statement of Investment and loan to subsidiary, as enclosed Annexure LVI;
- (li) Restated Ind AS Consolidated Summary Statement for Impact of Ind AS 115, as enclosed Annexure LVII;

(lii) Restated Ind AS Consolidated Summary Statement of Others, as enclosed Annexure LVIII.

10. According to the information and explanations given to us, in our opinion, the Restated Ind AS Consolidated Summary Statements and the abovementioned restated Ind AS financial information contained in Annexures I to LVII accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Annexure VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with 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 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, National Stock Exchange of India, BSE Limited and Registrar of Companies, National Capital Territory of Delhi and Haryana 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 Sudhir Soni  
Partner  
Membership No: 41870  
Place: Mumbai  
Date: October 24, 2018

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure I

Restated Ind AS Consolidated Summary Statement of Assets and Liabilities

(₹ million)

	Annexure	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	VII	12,307.96	11,944.24	11,223.56	9,783.65
Capital work-in-progress	VII	1,310.92	1,359.93	1,648.80	1,380.75
Intangible assets	VIII	21.79	27.00	60.30	66.64
Investment in Joint Venture	IX	279.32	314.07	327.01	-
Financial assets	X				
a) Investments		1.20	1.40	1.14	0.87
b) Trade receivables		958.75	880.00	483.18	351.92
c) Other financial assets		61.97	61.16	59.65	39.03
Income tax assets (Net)	XI	135.29	313.21	574.02	125.13
Deferred tax asset (Net)	XXII	-	0.10	0.70	-
Other non-current assets	XII	448.35	312.46	349.38	481.53
		15,525.55	15,213.57	14,727.74	12,229.52
<b>Current assets</b>					
Inventories	XIII	17,002.97	13,656.92	15,198.15	9,804.17
Financial assets	XIV				
a) Trade receivables		10,284.68	12,693.59	11,734.22	13,248.24
b) Cash and cash equivalents		122.32	82.32	234.40	316.27
c) Bank balance other than included in cash and cash equivalents above		10.41	24.10	67.17	191.04
d) Loans		153.05	152.74	15.42	10.32
e) Other financial assets		190.03	184.58	211.24	59.19
Income Tax Assets (Net)	XV	-	-	0.02	33.18
Other current assets	XVI	2,178.71	2,250.17	3,331.96	2,562.75
		29,942.17	29,044.42	30,792.58	26,225.16
Assets classified as held for disposal	XVII	0.12	2.70	7.46	6.68
		29,942.29	29,047.12	30,800.04	26,231.84
<b>Total Assets</b>		<b>45,467.84</b>	<b>44,260.69</b>	<b>45,527.78</b>	<b>38,461.36</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Equity Share Capital	XVIII	1,412.06	1,412.06	1,412.06	1,412.06
Other Equity	XIX	22,829.56	22,079.73	18,523.37	16,415.82
		24,241.62	23,491.79	19,935.43	17,827.88
Non-controlling interests		42.71	40.49	30.51	27.97
		24,284.33	23,532.28	19,965.94	17,855.85
<b>Non-current liabilities:</b>					
Financial liabilities	XX				
- Borrowings		1,329.55	1,589.49	1,617.65	1,008.54
Long Term Provisions	XXI	79.25	95.10	90.23	70.98
Deferred tax liabilities (Net)	XXII	531.44	553.47	657.39	210.60
Other non-current liabilities	XXIII	215.49	182.19	194.63	103.42
		2,155.73	2,420.25	2,559.90	1,393.54
<b>Current liabilities:</b>					
Financial liabilities	XXIV				
a) Borrowings		4,826.12	5,687.45	6,590.32	6,947.92
b) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises		71.50	77.70	74.40	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		10,888.90	9,143.17	13,468.31	10,565.83
c) Other current financial liabilities		1,285.96	1,163.41	796.63	310.62
Other current liabilities	XXV	1,018.44	1,036.34	1,474.26	1,071.92
Short term Provisions	XXVI	367.41	376.33	289.40	242.65
Current tax liabilities (Net)	XXVII	569.45	823.76	308.62	73.03
		19,027.78	18,308.16	23,001.94	19,211.97
<b>Total Equity and Liabilities</b>		<b>45,467.84</b>	<b>44,260.69</b>	<b>45,527.78</b>	<b>38,461.36</b>

Note:

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS Consolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Consolidated Financial Statements in Annexure VI.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Place: Mumbai  
Date: October 24, 2018

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

Place: Mumbai  
Date: October 24, 2018

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S S Narayana  
Company Secretary  
Membership No. F5221

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure II

Restated Ind AS Consolidated Summary Statement of Profit & Loss

(₹ million)

	Annexure	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Income</b>					
Revenue from operations	XXVIII	16,826.46	69,239.17	60,470.08	57,142.41
Other income	XXIX	206.72	620.34	752.13	331.03
<b>Total Income</b>		<b>17,033.18</b>	<b>69,859.51</b>	<b>61,222.21</b>	<b>57,473.44</b>
<b>Expenses</b>					
Cost of materials consumed	XXX	12,310.34	47,747.40	41,577.11	35,594.54
Purchases of traded goods	XXXI	652.79	2,412.29	1,945.92	3,065.47
Changes in Inventories of finished goods, traded goods and work-in-progress	XXXII	(653.47)	674.51	(2,195.05)	(586.58)
Excise duty		-	1,446.47	5,468.91	5,118.02
Project bought outs and other cost	XXXIII	335.70	1,247.03	1,104.19	1,815.49
Employee benefits expense	XXXIV	711.84	2,592.55	2,290.98	2,060.61
Other expenses	XXXV	1,741.00	5,710.73	5,478.55	5,167.11
Finance cost	XXXVI	371.68	936.80	659.49	1,473.52
Depreciation and amortisation expense	XXXVII	351.55	1,329.52	1,278.83	1,111.16
<b>Total Expenses</b>		<b>15,821.43</b>	<b>64,097.30</b>	<b>57,608.93</b>	<b>54,819.34</b>
<b>Profit before share of profit/(loss) of joint ventures</b>		<b>1,211.75</b>	<b>5,762.21</b>	<b>3,613.28</b>	<b>2,654.10</b>
Share of profit/(loss) of joint ventures (Net of tax)		(34.50)	1.06	(3.29)	-
<b>Profit before tax</b>		<b>1,177.25</b>	<b>5,763.27</b>	<b>3,609.99</b>	<b>2,654.10</b>
<b>Tax expenses</b>					
Current tax		446.06	2,175.14	835.59	755.03
Deferred tax (credit)/charge		(23.07)	(119.82)	446.93	52.07
<b>Total tax expense</b>		<b>422.99</b>	<b>2,055.32</b>	<b>1,282.52</b>	<b>807.10</b>
<b>Profit for the period</b>		<b>754.26</b>	<b>3,707.95</b>	<b>2,327.47</b>	<b>1,847.00</b>
<b>Profit for the period attributable to</b>					
Equity shareholders of parent company		752.04	3,702.47	2,324.93	1,847.90
Non controlling interests		2.22	5.48	2.54	(0.90)
		<b>754.26</b>	<b>3,707.95</b>	<b>2,327.47</b>	<b>1,847.00</b>
<b>Other Comprehensive Income</b>					
<b>A. Items that will be reclassified to profit or loss in subsequent periods</b>					
Exchange difference on translation of foreign operations		(4.35)	6.55	(2.45)	3.94
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>		<b>(4.35)</b>	<b>6.55</b>	<b>(2.45)</b>	<b>3.94</b>
<b>B. Items that will not be reclassified to profit or loss in subsequent periods</b>					
Re-measurement gains / (losses) on defined benefit plans		3.28	26.50	(2.41)	(32.97)
Income tax related to above item		(1.14)	(9.20)	0.84	11.41
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<b>2.14</b>	<b>17.30</b>	<b>(1.57)</b>	<b>(21.56)</b>
<b>Other comprehensive income for the period, net of tax</b>		<b>(2.21)</b>	<b>23.85</b>	<b>(4.02)</b>	<b>(17.62)</b>
<b>Total Comprehensive Income for the period attributable to</b>					
Equity shareholders of parent company		749.83	3,726.32	2,320.91	1,830.29
Non controlling interests		2.22	5.48	2.54	(0.90)
		<b>752.05</b>	<b>3,731.81</b>	<b>2,323.45</b>	<b>1,829.39</b>
<b>Earnings per share</b>					
Basic and diluted earnings per share (₹)	XXXVIII	5.33	26.22	16.46	13.09

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS Consolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Consolidated Financial Statements in Annexure VI.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date: October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Annexure III

Restated Ind AS Consolidated Summary Statement of Cash Flow

(₹ million)

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	1,177.25	5,763.27	3,609.99	2,654.10
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	351.55	1,329.52	1,278.83	1,111.16
Share of (profit)/loss of an associate and joint venture	34.50	(1.06)	3.29	-
(Gain)/Loss on disposal of property, plant and equipment	1.55	(49.00)	1.36	15.17
Finance income	(7.84)	(27.40)	(39.35)	(33.76)
Proceed of reserves on winding up of subsidiaries	-	-	(60.45)	-
Finance costs	371.68	936.80	659.49	1,473.52
Fair valuation of Financial asset	(82.51)	(8.60)	4.77	0.04
Provision for Bad debt	-	421.00	324.30	353.23
Preliminary expenditure written off	-	-	-	0.59
Impairment allowance for trade receivable considered doubtful	78.71	-	-	-
Unrealised foreign exchange differences	(12.77)	213.38	(140.63)	(64.38)
Fair value of written put options	-	55.00	-	-
Sundry advances written-off	-	8.01	64.38	2.67
<b>Operating profit before working capital changes</b>	<b>1,912.12</b>	<b>8,640.92</b>	<b>5,705.98</b>	<b>5,512.34</b>
<b>Movements in working capital:</b>				
(Increase)/decrease in trade receivables	2,437.10	(1,743.90)	1,036.12	(2,968.67)
(Increase)/decrease in other financial and non-financial assets	(106.69)	1,143.98	(974.22)	89.30
(Increase)/decrease in inventories	(3,346.02)	1,542.55	(5,393.90)	(899.85)
Increase/(decrease) in trade payables, other financial and non-financial liabilities and provisions	1,826.86	(4,552.40)	3,605.79	1,662.95
<b>Cash generated from operations</b>	<b>2,723.37</b>	<b>5,031.15</b>	<b>3,979.77</b>	<b>3,396.07</b>
Income tax paid (including TDS) (net)	(522.48)	(1,399.25)	(1,015.74)	(1,187.81)
<b>Net cash flows from operating activities (A)</b>	<b>2,200.89</b>	<b>3,631.90</b>	<b>2,964.03</b>	<b>2,208.26</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment	-	155.60	11.82	29.23
Purchase of property, plant and equipment (including CWIP)	(752.45)	(1,992.32)	(2,791.82)	(2,492.86)
Investment in equity shares of subsidiaries and Joint Venture	-	1.06	(327.01)	-
Share of (profit)/loss of Joint Venture	(34.50)	-	-	-
Proceed of reserves on winding up of subsidiaries	-	-	60.45	-
Proceeds/(Repayment) loan from/to subsidiaries	0.12	-	-	-
Proceeds from sale of Mutual funds	0.20	-	-	-
Loans and advances to related parties	-	(393.74)	(5.23)	(2.00)
Repayment of Loans and advances by related parties	-	258.93	-	0.94
Maturity/ (Investment) made in bank deposits (having original maturity of more than 3 months)	13.26	58.80	112.22	(110.28)
Interest received (finance income)	7.91	30.47	41.92	31.91
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(765.46)</b>	<b>(1,881.20)</b>	<b>(2,897.65)</b>	<b>(2,543.06)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest paid	(380.40)	(943.63)	(670.35)	(1,487.29)
Issue of shares	-	-	-	28.90
Proceeds from long term borrowings	(139.63)	343.02	997.12	1,016.39
Proceeds/(Repayment) from short term borrowings	(846.70)	(1,132.21)	(248.04)	1,158.38
Payment of dividend and Dividend distribution tax	(28.70)	(169.96)	(177.14)	(261.48)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(1,395.43)</b>	<b>(1,902.78)</b>	<b>(98.41)</b>	<b>454.90</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>40.00</b>	<b>(152.08)</b>	<b>(32.03)</b>	<b>120.10</b>
Cash and cash equivalents at the beginning of the year	82.32	234.40	316.27	193.97
Dissolution of Jaisingh wires FZE (Refer Annx - LV)	-	-	(47.39)	-
Effect of Exchange differences in cash and cash equivalents in foreign currency	-	-	(2.45)	2.20
<b>Cash and cash equivalents at the end -Refer Annx XIV(b)</b>	<b>122.32</b>	<b>82.32</b>	<b>234.40</b>	<b>316.27</b>
<b>Non-cash investing and financing transaction</b>				
Gain/(loss) on fair valuation of Financial asset	12.33	3.56	(4.80)	0.04
Gain/(loss) on fair valuation of Financial liability	(14.64)	(290.12)	148.60	64.38

Notes:-

- Figures in brackets indicates outflows.

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS Consolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Consolidated Financial Statements in Annexure VI.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

per Sudhir Soni

Partner

Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date: October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Annexure IV

Restated Ind AS Consolidated Summary Statement of Change in Equity

(₹ million)

**A) Equity Share Capital:**

Particulars	Numbers in million	Amount
At 1 April 2015	141.21	1,412.06
Changes in equity share capital during the year	-	-
At 31 March 2016	141.21	1,412.06
Changes in equity share capital during the year	-	-
At 31 March 2017	141.21	1,412.06
Changes in equity share capital during the year	-	-
At 31 March 2018	141.21	1,412.06
Changes in equity share capital during the year	-	-
At 30 June 2018	141.21	1,412.06

**B. Other Equity:**

(₹ million)

Particulars	Reserves and Surplus					Total	Non Controlling Interest	Total other equity
	Securities Premium	General Reserve	Retained Earnings	Statutory Reserve	Foreign Currency translation reserve			
As at 1 April 2015	3,205.60	614.00	11,059.77	1.70	1.16	14,882.23		14,882.23
Net Profit for the year			1,847.90			1,847.90	(0.90)	1,847.00
<b>Other comprehensive income</b>								
Exchange difference on translation of foreign operations					3.94	3.94		3.94
Re-measurement gains / (losses) on defined benefit plans			(32.97)			(32.97)		(32.97)
Income tax related to items that will not be reclassified to profit or loss			11.41			11.41		11.41
<b>Total comprehensive income</b>	-	-	1,826.34	-	3.94	1,830.28	(0.90)	1,829.38
<b>Dividends</b>								
Interim equity dividend			(176.51)			(176.51)		(176.51)
Tax on interim equity dividend			(35.93)			(35.93)		(35.93)
Final Equity dividend			(70.60)			(70.60)		(70.60)
Tax on final equity dividend			(14.37)			(14.37)		(14.37)
Pre-acquisition loss on investment in subsidiary companies			0.72			0.72		0.72
Acquisition/divestment of Subsidiary							28.87	28.87
As at 31 March 2016	3,205.60	614.00	12,589.42	1.70	5.10	16,415.82	27.97	16,443.79
Net Profit for the year			2,324.93			2,324.93	2.54	2,327.47
<b>Other comprehensive income</b>								
Exchange difference on translation of foreign operations					(2.45)	(2.45)		(2.45)
Re-measurement gains / (losses) on defined benefit plans			(2.41)			(2.41)		(2.41)
Income tax related to items that will not be reclassified to profit or loss			0.84			0.84		0.84
<b>Total comprehensive income</b>	-	-	2,323.36	-	(2.45)	2,320.91	2.54	2,323.45
<b>Dividends</b>								
Interim equity dividend			(141.21)			(141.21)		(141.21)
Tax on interim equity dividend			(28.75)			(28.75)		(28.75)
Dissolution of Jaisingh wires FZE (Refer Annx - LV)			(34.45)	(1.70)	(7.25)	(43.40)		(43.40)
As at 31 March 2017	3,205.60	614.00	14,708.37	-	(4.60)	18,523.37	30.51	18,553.88
Net Profit for the year			3,702.47			3,702.47	5.48	3,707.95
<b>Other comprehensive income</b>								
Exchange difference on translation of foreign operations					6.55	6.55		6.55
Re-measurement gains / (losses) on defined benefit plans			26.50			26.50		26.50
Income tax related to items that will not be reclassified to profit or loss			(9.20)			(9.20)		(9.20)
<b>Total comprehensive income</b>	-	-	3,719.77	-	6.55	3,726.32	5.48	3,731.80
Share issued to minority							4.50	4.50
<b>Dividends</b>								
Interim equity dividend			(141.21)			(141.21)		(141.21)
Tax on interim equity dividend			(28.75)			(28.75)		(28.75)
As at 31 March 2018	3,205.60	614.00	18,258.18	-	1.95	22,079.73	40.49	22,115.72
Net Profit for the three month period			752.04			752.04	2.22	754.26
<b>Other comprehensive income</b>								
Exchange difference on translation of foreign operations					(4.35)	(4.35)		(4.35)
Re-measurement gains / (losses) on defined benefit plans			3.28			3.28		3.28
Income tax related to items that will not be reclassified to profit or loss			(1.14)			(1.14)		(1.14)
<b>Total comprehensive income</b>	-	-	754.18	-	(4.35)	749.83	2.22	752.05
Share issued to minority							-	-
<b>Dividends</b>								
Interim equity dividend			-			-		-
Tax on interim equity dividend			-			-		-
As at 30 June 2018	3,205.60	614.00	19,012.36	-	(2.40)	22,829.56	42.71	22,867.77

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS Consolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Consolidated Financial Statements in Annexure VI.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date: October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

### **V.1 Corporate information**

Polycab India Limited ('The Parent Company') is a public limited company (CIN- U31300DL1996PLC266483) domiciled in India and incorporated under the provisions of the Companies Act, 1956. The status of the Company Polycab Wires Private Limited has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on August 29, 2018 and consequently the name of the Company was changed to Polycab Wires Limited. The name of the Company has been further changed to Polycab India Limited effective October 13, 2018. The Registered office of the company is situated at E-554, Greater Kailash-II, New Delhi-110048. The Company is one of the largest manufacturers of various type of cables and wires. The Company is also in the business of Engineering, Procurement and Construction (EPC) projects, manufacturing and trading of Electrical Wiring Accessories, Electrical Appliances and Agro Pipe and pumps. The Company's manufacturing facilities are located at Daman in Daman and Diu, Halol in Gujarat, Nashik in Maharashtra and Roorkee in Uttarakhand. The Company caters to both domestic and international markets. The Consolidated financial statements relates to Polycab India Limited ('the Parent Company') along with its subsidiaries (collectively referred to as 'the Group') and its joint ventures.

### **V.2 Basis of Preparation & Significant Accounting Policies**

#### **2.1 Basis of preparation**

The Restated Ind AS consolidated Summary Statement of Assets and Liabilities of the Company as at June 30, 2018 and as at March 31, 2018, March 31, 2017, March 31, 2016, and the related Restated Ind AS Consolidated Summary Statement of Profit & Loss, Restated Ind AS Consolidated Summary Statement of Changes in Equity and Restated Ind AS Consolidated Summary Statement of Cash Flows for three month period ended June 30, 2018 and each year ended March 31, 2018, March 31, 2017 and March 31, 2016, (hereinafter collectively referred to as "Restated Ind AS Consolidated Financial Information") have been prepared specifically 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 ("IPO") through Offer for sale by selling shareholders and fresh issue 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 and
- (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.

The Restated Ind AS Consolidated Summary Statements have been compiled from Interim Consolidated Financial Statements of the Group for the three month period ended June 30, 2018 and annual consolidated financial statements for year ended March 31, 2018, March 31, 2017 which also includes the comparative IND AS financial information as at and for the year ended March 31, 2016 and opening balance sheet as at April 1, 2015 prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended.

The Group had prepared its consolidated financial statements for all the periods up to and including the year ended March 31, 2016, in accordance with Auditing Standards notified under Section 133 of the Companies Act, 2013, read along with Rule 7 of the Companies (Accounts), Rules 2014 ( Indian GAAP or Previous GAAP).

The Interim Consolidated financial statements of the Group and its Joint Ventures as at and for three months ended June 30, 2018 have been prepared in accordance with the measurement and recognition principles of Ind AS 34 'Interim Financial Reporting', prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended.



## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

The restated Consolidated Financial Information for the three month period ended June 30, 2018 and each year ended March 31, 2018, March 31, 2017 and March 31, 2016 have been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value:

- Derivative financials instruments,
- Certain financials assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

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 Schedule III of the Companies Act, 2013. Based on the nature of products and 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.

The consolidated financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest million upto two decimal places, except otherwise indicated.

### **2.2 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Parent Company along with its subsidiaries as at June 30, 2018 and each year ended March 31, 2018, March 31, 2017 and March 31, 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights;
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made if amount is material to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March and for three month period ended 30 June. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### **Consolidation procedure:**

##### **a. Subsidiaries**

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Adjustments are made to the financial statements of subsidiaries, when considered necessary to align their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

##### **b. Joint ventures**

A joint venture is a type of a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognize the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

## **2.3 Summary of significant accounting policies**

### **a. Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure- V

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

#### **b. Current versus non-current classification**

The Group presents assets and liabilities in the consolidated balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure- V

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **c. Fair value measurement**

The Group measures financial instruments, such as, derivatives, mutual funds etc. at fair value at each consolidated balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the assets or liability and the level of fair value hierarchy as explained above.

#### **d. Property, plant and equipments and capital work-in-progress :**

Property, plant and equipments are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipments is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Consolidated statement of profit and Loss for the period in which such expenses are incurred.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure- V

#### Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

Capital work-in-progress comprises of property, plant and equipments that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and Loss when the asset is derecognized.

Depreciation on Property, plant and equipments is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows

#### Property, plant and equipment's

Assets	Useful life (In Years)
Buildings	30-60
Plant & equipments	3-15
Electrical installations	10
Furniture & fixtures	10
Office equipments	3-6
Windmill	22
Vehicles	8-10

The residual values, useful lives and methods of depreciation of property, plant and equipments are reviewed at each financial year end and adjusted prospectively.

Leasehold lands are amortized over the period of lease.

Lease hold Improvements are depreciated on straight line basis over their initial agreement period.

#### e. Intangible assets

Intangible assets are stated at cost, net of accumulated amortisation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and Loss when the asset is derecognized.

Amortisation of intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life (In Years)
Computer software	3

The residual values, useful lives and methods of depreciation of Intangible assets are reviewed at each financial year end and adjusted prospectively.

#### f. Leases

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

#### **Group as a Lessee:**

Operating lease payments are recognised as an expense in the consolidated statement of profit and loss as per the contractual terms over the lease period.

Finance lease are capitalised at the commencement of the lease and depreciated over the period of lease.

#### **g. Borrowing costs**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

#### **h. Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each consolidated balance sheet date, if there is any indication of impairment based on internal / external factors. Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Impairment losses are recognised in the consolidated statement of profit and loss.

#### **i. Non- Current assets held for sale**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The Group is committed to the sale expected within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

#### **j. Inventories**

Raw materials, traded goods, work in progress, finished goods, packing materials, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

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 at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

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.

The Group enters into purchase contract of copper and aluminium, in which the amount payable is not fixed on the date of purchase and the same is affected by changes in LME prices in future. Such transactions are entered into to protect the Group against the risk of price movement in the purchased copper and aluminium with respect to realisation of the price of product. Fair value hedges are mainly used to hedge the exposure to change in fair value of commodity price risks. The fair value adjustment remains part of the carrying value of inventory and taken to profit and loss when the inventory is sold.

#### **k. Revenue recognition**

Revenue from contracts includes revenue with customers for sale of goods, construction contracts and provision of services. Revenue from contracts with customers is recognized when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods and services.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Taxes collected on behalf of the government are excluded from revenue. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Variable consideration includes volume discounts, price concessions, liquidity damages, incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.



## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

#### **Sale of goods**

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when the performance obligation is satisfied and control as per Ind AS 115 is transferred to the customer. The Group collects GST define on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Revenue is disclosed net of discounts, incentives and returns, as applicable.

#### **Revenue from Construction contracts**

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time. since the Company creates an asset that the customer controls as the asset is created and the company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term contracts, where the outcome can be estimated reliably and 10% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract Liabilities". Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contracts.

#### **Export incentives**

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations.

#### **Interest**

For all financial asset measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

#### **Dividends**

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

#### **I. Foreign currency translation**

The Group's financial statements are presented in Indian rupee (INR) which is also the Group's functional currency.

Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

#### **Measurement of foreign currency item at the consolidated balance sheet date**

Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

#### **Exchange differences**

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

#### **m. Employee benefits**

##### **i. Short-term employee benefits**

All short-term employee benefits such as salaries, incentives, special awards, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are charged to the profit and loss account. The Group estimates the liability for such short-term benefits on cost to Group basis.

Company has revised its leave policy applicable to all locations, except Daman, effective from 1<sup>st</sup> January 2018; Employees are entitled for 21 Days of Annual leave (AL) in a given calendar year and are eligible to accumulate upto maximum of 21 days. However, Company has provided a liability for past accumulated leaves as per policy, which can be availed by employees upto the end of calendar year i.e. 31<sup>st</sup> December 2018. The Company estimates the liability for such short-term benefits on cost to Company basis.

##### **ii. Defined contribution plans**

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Group recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the funds. The Group's contributions to defined contribution plans are charged to the consolidated statement of profit and loss as incurred.

##### **iii. Defined benefit plan**

The Group operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

##### **iv. Other long-term employee benefit**

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 advances 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 consolidated statement of profit and Loss and are not deferred. The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

#### **n. Income taxes**

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

Tax expenses 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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences 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.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax asset 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 reporting date. The Group writes-down the carrying amount of 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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### **o. Segment reporting**

##### **Identification of segments**

The Group's operating businesses are organized and managed separately according to the nature of products and services with each segment representing a strategic business unit that offers different products & serves different markets,

##### **Inter-segment transfers**

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

##### **Allocation of common costs/ Assets & liabilities**

Common allocable costs/ assets & liabilities are allocated to each segment are consistently allocated amongst the segments on appropriate basis.

##### **Unallocated items**

Unallocated items include general corporate income & expense items which are not allocated to any business segment.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

#### **Segment accounting policies**

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

#### **p. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

#### **q. Provisions, Contingent liabilities and capital commitments**

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the consolidated statement of profit and loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Capital Commitments includes the amount of purchase orders (net of advances) issued to parties for completion of assets.

#### **r. Cash and cash equivalents**

Cash and cash equivalents for the purposes of consolidated cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of consolidated cash flow statement consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### **s. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

#### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified at the initial recognition as financial assets measured at fair value or as financials assets measured at amortised cost.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure- V

#### Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

---

#### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financials assets at amortised cost
- Financials assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e., fair value through profit and loss), or recognised in other comprehensive income (i.e., fair value through other comprehensive income).

#### **a. Financials assets carried at amortised cost**

A financials assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Profit and loss under the fair value option.

- Business Model test: The objective of the Group's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

#### **b. Financials assets at fair value through other comprehensive income**

Financials assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

#### **c. Financials assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit and loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### **Impairment of financial assets**

The Group assesses impairment based on expected credit losses (ECL) model for the following:

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.
- Other financial assets such as deposits, advances etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Group uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognized as other expense in the consolidated statement of profit and loss.

#### **Financial liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **a. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

#### **b. Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit or loss.

#### **c. Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### **t. Derivative financial instruments**

The Group enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss.

#### **u. Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable. The Group enters into purchase contract of copper and aluminum, in which the amount payable is not fixed on the date of purchase, but instead is affected by changes in LME prices in future. Such transactions are entered into to protect against the risk of price movement in the purchased copper and aluminum. Accordingly, such unfixed payables are considered to have an embedded derivative.

#### **Hedge Accounting: Fair Value Hedges**

The Group designates the copper and aluminum price risk in such instruments as hedging instruments, with copper and aluminum inventory considered to be the hedged item. The hedged risk is copper and aluminum spot prices. At the inception of a hedge relationship, with effect from 1 April 2016, The Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

#### **v. Business combination under common control**

Common control business combination includes transactions such as transfer of subsidiaries or business between entities within a group.

Business combinations involving entities or business under common control are accounted for using the pooling interest method. Under pooling interest method, the assets and liabilities of combining entities are reflected at their carrying amount, the only adjustments that are made are to harmonise accounting policies.

The financials information in the consolidated financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosures of its nature and purposes in the notes.

#### **w. Government grants:**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, its recognition as income in the consolidated statement of profit and loss is linked to fulfilment of associated export obligations.

The Group has chosen to present grants received to income as other income in the consolidated statement of profit and loss.

### **2.4 Significant accounting judgements, estimates and assumptions**

In the course of applying the policies outlined in all notes, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

#### **a. Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:



## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

#### **Leasehold land arrangement**

The Group has entered into land lease arrangement at various locations. Terms of such lease ranges from 30-90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, such lease is classified as finance lease. Other land leases are classified as operating leases.

#### **b. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### **i. Cost to complete**

The Group's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks facing the Group and developing and implementing initiative to manage those risks. The Group's Management is confident that the costs to complete the project are fairly estimated.

#### **ii. Impairment of investments in subsidiaries and joint- ventures**

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

#### **iii. Provisions and liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### **iv. Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

#### **v. Fair value measurements:**

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including multiples and the Discounted Cash flow (DCF model). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

#### **vi. Impairment of non-financial assets**

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- V**

#### **Notes to Restated Consolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for the three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

#### **vii. Defined benefit plans**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

The Group recognize the following changes in the net defined benefit obligation under Employee benefit expenses in consolidated statement of profit and loss:

- Service cost comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or Income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### **Standards Issued but not Effective:**

The Company has applied the Companies (Indian Accounting Standards), Amendment Rules 2018 which is effective from April 1, 2018, while preparing the restated Ind AS financial statements.

Accordingly, the Company has applied the standards and interpretations issued which are not effective to the reporting period presented. Thus, all the Ind AS applicable till date have been applied, and there are no standards which are issued but not yet effective.

The summary of results of restatement made in the audited Previous GAAP financial statements for the respective year / period and its impact on the profit of the Company is as follows:

Particulars	Notes	Three month period ended	for the year ended					Adjustment to opening reserve*
		IND AS	IND AS	IND AS	IND AS	Previous GAAP*	Previous GAAP*	
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	
Net profit as per audited financial statements		770.02	3585.50	2405.62	1879.60	1603.24	993.77	
a. Material items relating to previous years								
<b>Increase/(Decrease) in Income</b>								
Sundry balances written back in respective years	1	(21.61)	(103.50)	4.01	15.13	(58.29)	(74.03)	238.29
Adjustments in respect of government grants relating to earlier periods	2		97.95	(103.15)	5.21	-	-	-
Adjustment for insurance claims	3	(2.62)	(18.46)	16.73	(14.99)	11.60	7.74	-
Adjustment for estimated sales returns (net)	4		61.87	7.14	(44.71)	(1.39)	(22.91)	-
Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)	5		-	-	-	81.84	-	-
		(24.23)	37.86	(75.27)	(39.36)	33.76	(89.20)	238.29
<b>(Increase)/Decrease in Expenses</b>								
Adjustment to other expenses incurred in relation to earlier periods for power and fuel	6		57.72	-	(13.25)	(15.05)	(12.68)	(16.74)
Adjustment to other expenses incurred in relation to earlier periods rates and taxes	7		-	-	-	18.15	(9.08)	(9.07)
Revision in useful life	8					-	(4.86)	
		-	57.72	-	(13.25)	3.10	(26.62)	(25.81)
<b>Total adjustments before tax</b>		(24.23)	95.58	(75.27)	(52.61)	36.86	(115.82)	212.48
<b>Restated Profit Before Tax</b>		745.79	3,681.08	2,330.35	1,826.99	1,640.10	877.95	212.48
Total tax adjustment of earlier years	9	-	26.06	6.77	-	(12.29)	(22.68)	2.14
Tax impact of adjustments	9	8.47	0.81	(9.65)	20.01	15.29	37.72	(72.65)
<b>Total tax adjustments</b>		8.47	26.87	(2.88)	20.01	3.00	15.04	
<b>Restated profit for the period/year</b>		754.26	3,707.95	2,327.47	1,847.00	1,643.10	892.99	

\* The statement of restated adjustments has been included in both Ind AS and previous GAAP Consolidated summary statement financial for showing the impact of each of the adjustments in all the 5 years. Adjustments pertaining to period covered under previous GAAP has been made in previous GAAP summary statements.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure VI

Part A: Statement of Restated Adjustments to Audited Ind AS Consolidated Financial statements

The above statement should be read with the notes to the restated consolidated summary statement as appearing in Annexures.

#### **1 Sundry balances Written Back**

In the audited financial statements for the years ended 31 March 2014 to 31 March 2018 and three month period ended 30 June,2018, certain liabilities including advances received from cutomers, created in earlier years have been written back. For the purpose of this statement, the said liabilities which have been considered material have been appropriately adjusted in the respective years in which the same were originally created and accordingly, amount related to prior to 31 March 2014 have been adjusted to the retained earnings as at 01 April 2013.

#### **2 Adjustments in respect of government grants relating to earlier periods**

Adjustments relating to Government Grant income recognised in the financial statements for the year ended 31 March 2018, in respect of earlier periods has for the purpose of these restated financial statements been recorded in respective years.

#### **3 Adjustment for insurance claims**

The insurance claims received by the Company for the purpose of the restated financial statements have been adjusted in the respective years in which the actual loss giving rise to such insurance claims were accounted by the Company.

#### **4 Adjustment for estimated sales returns (net)**

Sales returns accounted by the Company have been adjusted in the restated financial statements in the years in which the original sales were accounted.

#### **5 Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)**

The Board of Directors of erstwhile Jaisingh Wires Private Limited (JWPL), Polycab Wires Industries Private Limited (PWIPL), Polycab Electrical Industries Private Limited (PEIPL), Polycab Electronics Private Limited (PEPL), Datar Nouveau Energietechnik Limited (DNEL) ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (formerly known as Polycab Wires Limited) (the 'Company') with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation. Pending such approvals, no effect of the proposed amalgamation had been given in the financial statements of the Company for year ended 31 March 2015.

Pursuant to sanction of the amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company and accordingly amalgamation was accounted for in the year ended March 31 2016 (Under IGAAP), as per AS 14 and April 1 2015 (Under Ind AS) as per Ind AS 103.

In the restated financial statements for the year ended March 31, 2015, company has accounted for the merger with effect from April 1 2014 i.e. appointed date as per the scheme of amalgamation

The accounting of merger in the year 31 March 15 does not have any impact on any of the subsequent year at transition to Ind AS, Company had given the impact of merger in the opening balance i.e. 1 April 2015.

#### **6 Adjustment to other expenses incurred in relation to earlier periods - Power and Fuel**

Impact of settlement of certain uncertain positions in relation to VAT input on fuel expenses has been considered in the respective years to which such expenses originally related to.

#### **7 Adjustment to other expenses incurred in relation to earlier periods - Rates and Taxes**

Impact of settlement of demand in relation to property tax has been considered in the relevant years for which such demand was raised.

#### **8 Change in the estimated useful lives of the property, plant and equipments**

In the financial year ended 31 March 2015, pursuant to the Act being effective from 1 April 2014, the Group has revised the depreciation rates on its property, plant and equipments as per the useful life specified in Part C of the Schedule II of the Act. Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Group was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for property, plant and equipments which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. Considering the applicability of Schedule II, the Management of Group has re-estimated useful lives and residual values of all its property, plant and equipments. The impact of depreciation has been recomputed and adjusted in respective years.

Annexure VI

Part A: Statement of Restated Adjustments to Audited Ind AS consolidated Financial statements

**9 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.

Computation of deferred tax has been computed and adjusted to give effect to the reversal of timing differences on adjustments made as detailed above and has been adjusted in the restated profits and losses for the three month period ended 30 June, 2018 and years ended 31 March 2018, 2017, 2016, 2015 and 2014 and the balance brought forward in Profit and Loss Account as at 1 April 2014.

**10 Impact of Ind AS 115:**

The Company has adopted Ind AS 115 effective April 1, 2018. For the purpose of preparation of restated financial statements, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 115 for each of the year ended March 31, 2018, 2017 and 2016. No material adjustments were identified for the purpose of restatement.

Part B : Reconciliation of equity as per previous GAAP and Ind AS is as under:

Particulars	Notes	(₹ million)
As per previous GAAP as on 31 March 2015		14,891.08
<b>Impact of IND AS</b>		
Proposed equity dividend and tax on equity dividend	11	84.97
Interest free Security deposit recorded at Amortised cost	12	(0.00)
Inventory- Impact of inventory provisional pricing	13	(135.41)
IND AS expected credit loss adjustment	14	(61.60)
Investment in mutual funds measured and recorded at fair value	15	0.63
Value of Property, plant and equipments grossed up with the amount of grant received by the entity and remain unamortised on transition date	16	53.60
Deferred tax asset created on IND AS adjustments	17	49.70
Balance of preliminary expenses transferred to retained earnings	18	(0.74)
<b>As per restated IND AS</b>		<b>14,882.23</b>

**11 Equity dividend and dividend distribution tax**

The liability of ₹ 70.60 millions and ₹ 14.37 millions for the year ended on 31 March 2015 recorded for dividend and dividend distribution tax has been derecognised against retained earnings on 1 April 2015.

**12 Security deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹ 0.30 millions as at 1 April 2015 – ₹ 0.30 millions. The prepaid rent increased by ₹ 0.30 millions as at 1 April 2015 - ₹ 0.30 millions. Total equity decreased by ₹ 0.00 millions as on 1 April 2015.

**13 Hedge Accounting**

For certain commodities, the purchase price is determined on a provisional basis at the date of purchase; adjustments to the purchase price subsequently occurs based on movements in quoted market prices up to the date of final pricing. The period between provisional pricing and final pricing is generally 60 to 90 days. Inventory cost on provisionally priced purchases is recognised based on the estimated fair value of the total consideration receivable. The price adjustment mechanism embedded within provisionally priced purchases arrangements has character of commodity derivative. Accordingly, the fair value of final purchase price adjustment is re-estimated continuously and changes in fair value are recognised in income statement directly as an adjustment to raw material consumption. Impact on unpriced purchase contract as of 1 April 2015 resulting to decrease in retained earnings by ₹ 135.40 millions with a corresponding decrease in value of closing inventory.

**14 Expected Credit Loss**

Under Indian GAAP, the Group has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Group impaired its trade receivable by ₹ 61.60 million on 1 April 2015, impact of the same is directly recognised in retained earnings.

**15 Fair value of Investment in Mutual Funds**

Under Indian GAAP, the Company accounted for investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, investments in mutual mutual funds are carried at fair value with resulting gain of ₹ 0.63 millions on 1 April 2015.

**16 Property, plant and equipment**

The Company imports machinery using EPCG licences. Based on the terms of the license , the Company is not required to pay the import duty subject to export of agreed value in future time. Under Ind AS asset related grant is required to be recorded as deferred liabilities while asset should be recorded at gross value . Hence on the date of transition to Ind AS, an increase of ₹ 144.40 million was recognised in property, plant and equipment. Total equity increased by ₹ 53.60 million and deferred government grant increased by ₹ 90.80 million as on 1 April 2015. This amount has been recognised against deferred government grant and amortised subsequently.

**17 Deferred tax**

Under Ind AS, deferred tax is calculated using balance sheet approach on various transitional adjustments which lead to temporary differences between the carrying amount of an asset or liability and its tax base. On transition date, Deferred tax liability of ₹ 49.70 million is created.

**18** Under the previous GAAP, preliminary expenses were amortised over the period of 5 years. Under Ind AS, such expenditure is required to recognised as expense and debit to the profit and loss in the year of spending itself. Consequent to this change, the amount of other non current assets as on 1 April 2015 decreased by ₹ 0.74 million.

## Non-adjusting Events

Other audit modifications included in the Annexure to the auditors' report issued on the Internal Financial Controls under clause (i) of sub section 3 of Section 143 of the Companies Act 2013, are as follows:

For the year ended March 31, 2017

- Qualified Opinion

The Company's internal financial control over cut-off procedures for recognition of revenue at the year-end and review of invoices raised for certain category of customers were not operating effectively which could have potentially resulted in under or over accrual of revenue and receivables in the financial statements.

For the year ended March 31, 2016

- Disclaimer of Opinion

During the year, the Company implemented a new ERP system. According to the information and explanation provided to us, since the ERP system was under stabilization, the Company relied on its legacy and manual controls. Since the Company was not able to provide us with sufficient appropriate audit evidence on the system internal financial control over financial reporting based on the essential components as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India we are unable to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting as at March 31, 2016.

Restated Ind AS Consolidated Summary Statement of Property, plant and equipment

	Freehold land	Leasehold land	Buildings	Plant & equipments	Electrical Installations	Furniture & fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total	Capital Work in Progress
<b>Deemed cost (gross carrying amount)</b>												
<b>At 1 April 2015</b>	858.39	40.59	3,175.34	3,470.26	290.06	69.35	73.05	295.04	44.89	0.01	8,316.98	1,794.10
Additions/Adjustments	86.65	2.81	1,068.79	1,241.55	54.51	21.56	52.06	-	22.90	3.11	2,553.94	1,938.17
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(2,333.10)
Disposals	(2.09)	-	-	(6.53)	-	(0.38)	(0.03)	-	(1.71)	-	(10.74)	(18.42)
<b>At 31 March 2016</b>	942.95	43.40	4,244.13	4,705.28	344.57	90.53	125.08	295.04	66.08	3.12	10,860.18	1,380.75
Additions/Adjustments	64.26	13.07	790.03	1,686.03	90.50	6.10	17.42	-	18.12	0.03	2,685.56	2,639.35
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(2,371.30)
Disposals	-	-	-	(8.86)	-	-	(2.62)	-	(4.01)	-	(15.49)	-
<b>At 31 March 2017</b>	1,007.21	56.47	5,034.16	6,382.45	435.07	96.63	139.88	295.04	80.19	3.15	13,530.25	1,648.80
Additions/Adjustments	62.80	-	516.71	1,400.50	13.10	15.10	56.79	-	14.93	0.10	2,080.03	1,538.79
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(1,827.66)
Disposals	(64.33)	-	-	(4.10)	-	(5.00)	(3.70)	-	(0.60)	-	(77.73)	-
<b>At 31 March 2018</b>	1,005.68	56.47	5,550.87	7,778.85	448.17	106.73	192.97	295.04	94.52	3.25	15,532.55	1,359.93
Additions/Adjustments	0.51	-	330.81	349.65	16.52	6.21	3.62	-	4.23	-	711.55	588.16
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(637.17)
Disposals	-	-	-	(0.85)	-	-	(0.06)	-	(2.56)	-	(3.47)	-
<b>At 30 June 2018</b>	1,006.19	56.47	5,881.68	8,127.65	464.69	112.94	196.53	295.04	96.19	3.25	16,240.63	1,310.92
<b>Accumulated depreciation</b>												
<b>At 1 April 2015</b>	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	0.41	140.46	824.72	50.95	9.83	26.11	15.72	8.48	0.50	1,077.18	-
Disposals	-	-	-	(0.61)	-	-	(0.01)	-	(0.03)	-	(0.65)	-
<b>At 31 March 2016</b>	-	0.41	140.46	824.11	50.95	9.83	26.10	15.72	8.45	0.50	1,076.53	-
Depreciation charge for the year	-	12.86	181.25	923.06	51.50	11.06	31.93	15.72	10.05	0.86	1,238.29	-
Disposals	-	-	-	(4.96)	-	-	(1.84)	-	(1.33)	-	(8.13)	-
<b>At 31 March 2017</b>	-	13.27	321.71	1,742.21	102.45	20.89	56.19	31.44	17.17	1.36	2,306.69	-
Depreciation charge for the year	-	1.10	210.75	947.28	56.13	11.50	34.10	15.70	10.96	0.80	1,288.32	-
Disposals	-	-	-	(1.30)	-	(2.40)	(2.60)	-	(0.40)	-	(6.70)	-
<b>At 31 March 2018</b>	-	14.37	532.46	2,688.19	158.58	29.99	87.69	47.14	27.73	2.16	3,588.31	-
Depreciation charge for the three month period	-	0.11	54.57	258.33	13.63	3.03	9.49	3.92	3.15	0.11	346.34	-
Disposals	-	-	-	(0.46)	-	-	(0.05)	-	(1.47)	-	(1.98)	-
<b>At 30 June 2018</b>	-	14.48	587.03	2,946.06	172.21	33.02	97.13	51.06	29.41	2.27	3,932.68	-
<b>Net Book Value</b>												
<b>At 30 June 2018</b>	1,006.19	41.98	5,294.65	5,181.59	292.48	79.92	99.40	243.99	66.78	0.98	12,307.96	1,310.92
At 31 March 2018	1,005.68	42.10	5,018.41	5,090.66	289.59	76.74	105.27	247.90	66.79	1.09	11,944.24	1,359.93
At 31 March 2017	1,007.21	43.20	4,712.45	4,640.24	332.62	75.74	83.68	263.60	63.02	1.79	11,223.56	1,648.80
At 31 March 2016	942.95	42.99	4,103.67	3,881.17	293.62	80.70	98.98	279.32	57.63	2.62	9,783.65	1,380.75
At 1 April 2015	858.39	40.59	3,175.34	3,470.26	290.06	69.35	73.05	295.04	44.89	0.01	8,316.98	1,794.10

Notes:-

(a) Capital work in progress includes machinery in transit ₹ 68.90 million (31 March 2018 : ₹ 36.50 million) (31 March 2017 : ₹ 140.60 million.) (31 March 2016 : ₹ 41.50 million).

(b) All property, plant and equipment are held in the name of the Company, except following :

(i) Title deed for freehold land amounting to ₹ 25.20 million (31 March 2018 : ₹ 25.20 million) (31 March 2017: ₹ 4.90 million) (31 March 2016 : ₹ 29.80 million) were not in the name of Company. The Company has initiated process of transferring these properties in its name.

(ii) Title deed for freehold land amounting to ₹ 36.50 million (31 March 2018: ₹ 42.00 million (31 March 2017: ₹ 70.80 million) (31 March 2016: ₹ 138.00 million) and Leasehold land amounting to Nil (31 March 2017: ₹ 14.50 million ) (31 March 2016 : ₹ 1.40 million) were not readily available.

(iii) Title deed is in dispute for freehold land amounting to ₹ 10.50 million (31 March 2018: ₹ 10.50 million) (31 March 2017: ₹ 9.40 million) (31 March 2016 : ₹ 9.40 million) and is pending resolution with government authority at Gujarat. The Company has initiated the process of transferring these properties in its name.

(c) Various assets appearing in capital work in progress and capitalized for the three months ended ₹ 637.17 million and for the year ended (31 March 2018 ₹ 1827.66 million) ( 31 March 2017 - ₹ 2371.30 million) (31 March 2016 : ₹ 2333.10 million) have been shown in addition/transfer in respective class of Property, Plant and Equipments.

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure VIII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Intangible assets

	Goodwill	Computer Software
<b>Deemed cost (gross carrying amount)</b>		
At 1 April 2015	-	51.20
Additions	0.72	49.42
Disposals	(0.72)	-
<b>At 31 March 2016</b>	-	<b>100.62</b>
Additions	-	34.20
Disposals	-	-
<b>At 31 March 2017</b>	-	<b>134.82</b>
Additions	-	7.90
Disposals	-	-
<b>At 31 March 2018</b>	-	<b>142.72</b>
<b>At 30 June 2018</b>	-	<b>142.72</b>
<b>Accumulated amortization</b>		
At 1 April 2015	-	-
Amortisation charge for the year	-	33.98
Disposals	-	-
<b>At 31 March 2016</b>	-	<b>33.98</b>
Amortisation charge for the year	-	40.54
Disposals	-	-
<b>At 31 March 2017</b>	-	<b>74.52</b>
Amortisation charge for the year	-	41.20
Disposals	-	-
<b>At 31 March 2018</b>	-	<b>115.72</b>
Amortisation charges for the three months period	-	5.21
<b>At 30 June 2018</b>	-	<b>120.93</b>
<b>Net Book Value</b>		
<b>At 30 June 2018</b>	-	<b>21.79</b>
At 31 March 2018	-	27.00
At 31 March 2017	-	60.30
At 31 March 2016	-	66.64
At 1 April 2015	-	51.20



Restated Ind AS Consolidated Summary Statement of Investment in Joint Venture

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Investment in Equity Instruments of Joint Venture</b>				
26,010,000 (31 March 2017 : 26,010,000) Equity shares of Ryker Base Private Limited of ₹10 each fully paid up	239.36	256.20	260.10	-
Add: Impact of corporate guarantee		10.30	-	
Less: Corporate Guarantee Amortised	(0.25)			
Add: Share in profit/(loss)	(36.05)	(2.84)	(3.90)	-
Less: Elimination of profit element in sale of fixed asset (Net of tax)	-	(24.30)	-	
	<b>203.06</b>	<b>239.36</b>	<b>256.20</b>	<b>-</b>
540,000 (31 March 2017 : 540,000) Equity shares of Techno Electromech Private Limited of ₹10 each fully paid up	26.61	22.71	22.10	-
Add: Share in profit/(loss)	1.55	3.90	0.61	
	<b>28.16</b>	<b>26.61</b>	<b>22.71</b>	<b>-</b>
Goodwill on acquisition of joint venture	48.10	48.10	48.10	-
	<b>76.26</b>	<b>74.71</b>	<b>70.81</b>	<b>-</b>
<b>Total Investments (Net)</b>	<b>279.32</b>	<b>314.07</b>	<b>327.01</b>	<b>-</b>

Note:

1. Joint Venture partner of the Ryker base Private Limited have the option to put their entire shareholding to the company at any time after a lock in period i.e. earlier of

(a) Fifth anniversary of the date on which the Plant commences production;

(b) The date failing six years and six months after the completion date

at a price being higher of:

• Fair market value of the shares or

• Sum of:

• Subscription price paid by Joint Venture partner and

• Additional Finance amounts contributed by Joint Venture partner from time to time.

Restated Ind AS Consolidated Summary Statement of Non Current financial assets

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Investments</b>				
<b>Investments at fair value through profit or loss (FVTPL) (fully paid)- Unquoted</b>				
Investment in Mutual Funds	1.20	1.40	1.14	0.87
<b>Total FVTPL Investments</b>	<b>1.20</b>	<b>1.40</b>	<b>1.14</b>	<b>0.87</b>
Aggregate market value of unquoted mutual fund investment (Refer Annx-XLVII and Annx-XLVIII)	1.20	1.40	1.14	0.87
Note:				
Investments at fair value through profit or loss (fully paid) reflect investment in unquoted mutual fund. Refer Annx - XLVII for determination of their fair values.				
<b>(B) Trade receivables</b>				
Trade receivables - unsecured considered good	958.75	880.00	483.18	351.92
<b>Total Trade receivables</b>	<b>958.75</b>	<b>880.00</b>	<b>483.18</b>	<b>351.92</b>
<b>(C) Other financial assets</b>				
Earnest money and security deposits	58.69	58.32	41.08	32.09
Deposits with bank having maturity period of more than 12 months	3.28	2.84	18.57	6.94
<b>Total other financial assets</b>	<b>61.97</b>	<b>61.16</b>	<b>59.65</b>	<b>39.03</b>

Annexure XI (₹ million)  
Restated Ind AS Consolidated Summary Statement of Non-current income tax assets (Net)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance income-tax (net of provision for taxation)	135.29	313.21	574.02	125.13
	<b>135.29</b>	<b>313.21</b>	<b>574.02</b>	<b>125.13</b>

Annexure XII (₹ million)  
Restated Ind AS Consolidated Summary Statement of Other non-current assets

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Capital advances - Unsecured, considered good unless stated otherwise	357.59	219.04	185.78	294.29
Capital advances - Unsecured, considered doubtful	41.10	41.10	45.20	45.20
Prepaid expenses	4.31	6.90	5.20	6.74
Balances with Statutory/Government authorities	86.45	86.52	158.40	180.50
	<b>489.45</b>	<b>353.56</b>	<b>394.58</b>	<b>526.73</b>
<b>Impairment allowance - capital advances</b>				
Doubtful	(41.10)	(41.10)	(45.20)	(45.20)
	<b>(41.10)</b>	<b>(41.10)</b>	<b>(45.20)</b>	<b>(45.20)</b>
	<b>448.35</b>	<b>312.46</b>	<b>349.38</b>	<b>481.53</b>

Annexure XIII (₹ million)  
Restated Ind AS Consolidated Summary Statement of Inventories

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Raw materials	7,429.44	4,959.69	5,986.83	3,008.93
Traded goods	492.97	458.63	514.05	502.08
Work-in-progress	1,198.03	1,055.79	1,263.49	977.91
Finished goods	6,981.99	6,452.22	6,884.87	4,943.57
Packing materials	67.29	85.49	48.17	67.66
Scrap materials	81.83	134.70	113.44	157.24
Stores and spares	91.64	81.00	86.65	60.17
Project materials for long-term contracts	659.78	429.40	300.65	86.61
	<b>17,002.97</b>	<b>13,656.92</b>	<b>15,198.15</b>	<b>9,804.17</b>

Notes:-

(i) The above includes goods in transit as under:

Raw Material	3,679.78	1,215.26	2,057.65	1,283.53
Traded goods	44.83	58.32	65.27	9.88
Packing Material	-	-	7.02	4.95
Stores and Spares	-	-	24.87	5.83
Project materials for long-term contracts	20.40	48.20	-	-

(ii) During the year ended 30 June 2018, ₹ 43.10 million (31 March 2018, ₹ 13.00 million) (31 March 2017 - ₹ 53.80 million)(31 March 2016 - Nil) was recognised as an expense for inventories carried at net realisable value.

(iii) Inventories are hypothecated with the bankers against working capital limits. (Refer note - XXIV(A))

(iv) The Group enters into purchase contract of copper and aluminium, in which the amount payable is not fixed on the date of purchase and the same is affected by changes in LME prices in future. Such transactions are entered into protect the Group against the risk of price movement in the purchased copper and aluminium. Fair value hedges are mainly used to hedge the exposure to change in fair value of commodity price risks. The fair value adjustment remains part of the carrying value of inventory and taken to profit and loss when the inventory is sold.(Refer Annx - XLIX(A)(iii)).

Restated Ind AS Consolidated Summary Statement of Current financial assets

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Trade receivables</b>				
<b>Considered good -unsecured</b>				
Outstanding for a period exceeding six months	3,311.73	3,329.26	1,891.31	2,019.27
Others	6,931.85	9,305.36	9,738.24	11,228.97
Receivables from related parties ( refer annx - XLIV(A))	41.10	58.97	104.67	-
Receivables- credit impaired	1,289.18	1,215.50	947.60	873.30
<b>Trade receivables (Gross)</b>	<b>11,573.86</b>	<b>13,909.09</b>	<b>12,681.82</b>	<b>14,121.54</b>
Less: Impairment allowance for trade receivables considered doubtful	(1,289.18)	(1,215.50)	(947.60)	(873.30)
	<b>10,284.68</b>	<b>12,693.59</b>	<b>11,734.22</b>	<b>13,248.24</b>

**Notes:-**

- Trade receivables are non-interest bearing and are generally on credit terms upto 90 days except EPC business.
- For EPC business trade receivables are non-interest bearing and credit terms are specific to contracts.
- For explanations on the Company's credit risk management processes, refer to Annx XLIX(B).

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

At the beginning of year	1,215.50	947.60	873.30	849.10
Provision during the year/period	73.68	421.00	324.30	359.62
Bad debts written off	-	(153.10)	(250.00)	(335.42)
At the end of the year/period	<b>1,289.18</b>	<b>1,215.50</b>	<b>947.60</b>	<b>873.30</b>

**(B) Cash and cash equivalents**

Balances with banks				
In current accounts	120.00	76.68	194.28	312.21
Deposits with original maturity of less than three months	-	-	11.19	-
Cash in hand	2.32	1.74	2.63	4.06
Cheques in hand	-	3.90	26.30	-
	<b>122.32</b>	<b>82.32</b>	<b>234.40</b>	<b>316.27</b>

**(C) Bank balance other than cash and cash equivalents**

Deposits with original maturity for more than 12 months	8.07	8.10	2.48	22.34
Deposits with original maturity for more than 3 months but less than 12 months	1.94	16.00	64.69	168.66
Margin money deposit	0.40	-	-	0.04
	<b>10.41</b>	<b>24.10</b>	<b>67.17</b>	<b>191.04</b>

**(D) Loans**

<b>Unsecured, considered good unless stated otherwise</b>				
Loans to employees	11.63	11.20	8.69	8.82
Loans to related party	141.42	141.54	6.73	1.50
<b>Total Loans (Gross)</b>	<b>153.05</b>	<b>152.74</b>	<b>15.42</b>	<b>10.32</b>

**(E) Other financial assets**

Security deposits and earnest Money	44.88	39.71	61.41	38.01
Contract Asset	133.56	140.30	145.49	-
Interest accrued on bank deposits	1.20	1.27	4.34	6.91
<b>Derivative instruments at fair value through profit or loss</b>				
Foreign exchange forward contracts	-	-	-	14.27
Interest rate and cross currency swap	15.43	3.30	-	-
Less: Impairment allowance for Contract Asset considered doubtful	(5.04)			
	<b>190.03</b>	<b>184.58</b>	<b>211.24</b>	<b>59.19</b>

Restated Ind AS Consolidated Summary Statement of Current income tax assets (Net)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance income-tax (net of provision for taxation)	-	-	0.02	33.18
	-	-	0.02	33.18

Annexure XVI

(₹ million)

Restated Ind AS Consolidated Summary Statement of Other current assets

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advances for materials and services	639.73	738.35	1,149.80	771.53
Prepaid expenses	68.12	85.74	43.90	19.61
Advances to employees	-	-	0.79	0.32
Balances with statutory/government authorities	1,375.96	1,195.35	1,885.70	1,510.21
Export incentive receivable	38.19	48.80	55.45	44.08
Others	56.71	181.93	196.32	217.00
	<b>2,178.71</b>	<b>2,250.17</b>	<b>3,331.96</b>	<b>2,562.75</b>

Annexure XVII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Assets classified as held for disposal

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Assets held for disposal	0.12	2.70	7.46	6.68
	<b>0.12</b>	<b>2.70</b>	<b>7.46</b>	<b>6.68</b>

On 30 June 2018, the Group classified certain property, plant and equipment Nil (31 March 2018 - ₹ 2.60 million) (31 March 2017 - ₹ 4.50 million), factory building Nil (31 March 2018 - Nil) (31 March 2017 - ₹ 2.11 million) & other asset ₹ 0.12 Million (31 March 2018 - ₹ 0.10 million (31 March 2017 - ₹ 0.85 million) retired from active use and held for sale recognised and measured in accordance with Ind-AS 105 "Non Current Assets Held For Sale and Discontinued Operations" at lower of its carrying amount and fair value less cost to sell. The Groups expects to complete the sale in financial year 2018-19.

Annexure XVIII

Restated Ind AS Consolidated Summary Statement of Equity share capital

	Equity shares	
	Numbers in million	(₹ million)
<b>(A) Authorised share capital</b>		
(Equity shares of INR 10 each)		
At 1 April 2015	150.00	1,500.00
Increase during the year	36.25	362.50
At 31 March 2016	186.25	1,862.50
Increase during the year	-	-
At 31 March 2017	186.25	1,862.50
Increase during the year	-	-
At 31 March 2018	186.25	1,862.50
Increase during the period	-	-
At 30 June 2018	186.25	1,862.50
<b>(B) Issued, subscribed and fully paid-up shares</b>		
(Equity shares of INR 10 each)		
At 1 April 2015	141.21	1,412.06
Changes during the year	-	-
At 31 March 2016	141.21	1,412.06
Changes during the year	-	-
At 31 March 2017	141.21	1,412.06
Changes during the year	-	-
At 31 March 2018	141.21	1,412.06
Changes during the period	-	-
At 30 June 2018	141.21	1,412.06

**(C) Terms/ rights attached to equity shares**

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2018, the amount of per share interim dividend recognized and paid to equity shareholders ₹ 1 (31 March 2017: ₹ 1) (31 March 2016: ₹ 1.25).

**(D) Details of shareholders holding more than 5% shares in the Group**

Name of the shareholder	As at 30 June 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	No. of Shares (in million)	% holding	No. of Shares (in million)	% holding	No. of Shares (in million)	% holding	No. of Shares (in million)	% holding
Mr. Inder T. Jaisinghani	23.69	16.78%	23.78	16.84%	30.02	21.26%	30.02	21.26%
Mr. Ramesh T. Jaisinghani	23.49	16.63%	23.58	16.70%	24.00	17.00%	24.00	17.00%
Mr. Ajay T. Jaisinghani	23.49	16.64%	23.58	16.70%	24.00	17.00%	24.00	17.00%
Mr. Girdhari T. Jaisinghani	23.57	16.69%	23.66	16.76%	24.00	17.00%	24.00	17.00%
International Finance Corporation (IFC)	21.18	15.00%	21.18	15.00%	21.18	15.00%	21.18	15.00%

As per records of the Group, 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.

Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date :

(i) 70.60 million equity shares of ₹ 10 each fully paid up issued as Bonus shares in the ratio of 1:1 by capitalization of Securities premium during the year ended 31 March 2015.

(ii) 5.01 million equity shares of ₹ 10 each fully paid up issued to debenture holder pursuant to conversion of 17.00 million Compulsory Convertible Debentures of ₹100 each for consideration other than cash during the year ended 31 March 2013.

Annexure XIX

Restated Ind AS Consolidated Summary Statement of Other equity

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
(A) Securities premium*	3,205.60	3,205.60	3,205.60	3,205.60
(B) General reserve*	614.00	614.00	614.00	614.00

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XIX**

(₹ million)

**Restated Ind AS Consolidated Summary Statement of Other equity**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(C) Statutory reserve</b>				
Opening Balance	-	-	1.70	1.70
Less: Dissolution of Jaisingh wires FZE (Refer Annx - LV)	-	-	(1.70)	-
	-	-	-	1.70
<b>(D) Foreign currency translation reserve</b>				
Opening Balance	1.95	(4.60)	5.10	1.16
Less: Dissolution of Jaisingh wires FZE (Refer Annx - LV)	-	-	(7.25)	-
Add : Exchange Difference during the year on net investment in non-integral foreign operations	(4.35)	6.55	(2.45)	3.94
	(2.40)	1.95	(4.60)	5.10
<b>(E) Retained earnings</b>				
Opening balance	18,258.18	14,708.37	12,589.42	11,059.77
Add: Profit during the year	754.18	3,719.77	2,323.36	1,826.34
Add: Pre-acquisition loss on investment in subsidiary companies	-	-	-	0.72
Less: Interim equity dividend	-	(141.21)	(141.21)	(176.51)
Less: Tax on interim equity dividend	-	(28.75)	(28.75)	(35.93)
Less: Dissolution of Jaisingh wires FZE (Refer Annx - LV)	-	-	(34.45)	-
Less: Equity dividend	-	-	-	(70.60)
Less: Tax on equity dividend	-	-	-	(14.37)
	19,012.36	18,258.18	14,708.37	12,589.42
<b>Total ( A+B+C+D+E)</b>	<b>22,829.56</b>	<b>22,079.73</b>	<b>18,523.37</b>	<b>16,415.82</b>

\* Securities premium represents the surplus of proceeds received over the face value of share at the time of issue of shares.

\* General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit or loss.

**Annexure XX**

(₹ million)

**Restated Ind AS Consolidated Summary Statement of Non-current financial liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Borrowing</b>				
<b>External commercial borrowing (secured)</b>				
Foreign currency loan from HSBC Bank (Mauritius) Ltd	914.34	1,084.10	1,296.71	663.39
<b>Rupee loan (Secured)</b>				
Indian rupee loan from Karur Vysya Bank	-	-	97.21	-
Indian rupee loan from HDFC Bank	105.50	94.19	-	-
Indian rupee loan from Citibank N.A.	1,101.68	1,137.30	572.86	345.25
	2,121.52	2,315.59	1,966.78	1,008.64
Less: Current maturities of long-term borrowings (Refer Annx - XXIV(C))	(791.97)	(726.10)	(349.13)	(0.10)
	1,329.55	1,589.49	1,617.65	1,008.54

**The above loans are secured by way of**

- First pari passu charge by way of registered mortgage on specific immovable fixed assets at Halol and hypothecation of all movable fixed assets acquired on or after 1 April 2015.
- Second pari passu charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015 and on all current assets of the Company.
- Charges with respect to above borrowing has been created in favor of lead banker in the consortium. No separate charge created for each of the borrowing.

**Maturity profile of non-current borrowings**

	Remark	< 1 Year	1-3 Years	3-5 Years
<b>External commercial borrowing (secured)</b>				
Foreign currency loan from HSBC Bank (Mauritius) Ltd	Repayable in 6 instalment in 3 year	457.20	457.20	-
<b>Rupee loan (Secured)</b>				
Indian rupee loan from Citibank N.A.	Repayable in 16 quarterly instalment	312.50	604.30	184.81
Indian rupee loan from HDFC Bank	Repayable in 48 monthly instalment	22.27	45.67	37.57
<b>Total</b>		<b>791.97</b>	<b>1,107.17</b>	<b>222.38</b>

Annexure XXI (₹ million)

Restated Ind AS Consolidated Summary Statement of Long term provisions

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Provision for employee benefits</b>				
Gratuity ( Refer Annx - XLII)	79.25	95.10	90.23	70.98
	<b>79.25</b>	<b>95.10</b>	<b>90.23</b>	<b>70.98</b>

Annexure XXII (₹ million)

Restated Ind AS Consolidated Summary Statement of Income taxes

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Income tax expense in the statement of profit and loss comprises:</b>				
<b>Current income tax:</b>				
In respect of current year	446.06	2,175.14	835.59	755.03
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(23.07)	(119.82)	446.93	52.07
<b>Income tax expense reported in the statement of profit or loss</b>	<b>422.99</b>	<b>2,055.32</b>	<b>1,282.52</b>	<b>807.10</b>

<b>(B) OCI section - Deferred tax related to items recognised in OCI during in the year:</b>				
Net loss/(gain) on remeasurements of defined benefit plans	1.14	9.20	(0.84)	(11.41)
<b>Income tax expense charged to OCI</b>	<b>1.14</b>	<b>9.20</b>	<b>(0.84)</b>	<b>(11.41)</b>

<b>(C) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:</b>				
<b>Profit before tax</b>	<b>1,177.25</b>	<b>5,763.27</b>	<b>3,609.99</b>	<b>2,654.10</b>
Applicable Tax rate	34.94%	34.61%	34.61%	34.61%
Tax using applicable tax rate	411.35	1,994.53	1,249.52	918.53
<b>Effect of:</b>				
Expense not allowed for tax purpose	29.97	107.14	169.07	48.20
Income not considered for tax purpose	(7.21)	(17.81)	(34.39)	(83.63)
Additional allowances for tax purpose	(11.12)	(28.55)	(101.68)	(76.00)
<b>Income tax charged to statement of profit and loss account</b>	<b>422.99</b>	<b>2,055.31</b>	<b>1,282.52</b>	<b>807.10</b>

(D) Deferred tax liabilities comprises: (₹ million)

	Balance Sheet				Statement of profit and loss			
	As at	As at	As at	As at	Three months	Year ended		
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Deferred tax liability</b>								
Property Plant & Equipments: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	900.52	890.65	841.16	673.14	9.87	49.49	168.02	117.50
Duties and taxes allowable under Income Tax Act on payment basis	318.00	318.00	346.67	-	-	(28.67)	346.67	-
<b>Gross deferred tax liability</b>	<b>1,218.52</b>	<b>1,208.65</b>	<b>1,187.83</b>	<b>673.14</b>	<b>9.87</b>	<b>20.82</b>	<b>514.69</b>	<b>117.50</b>
<b>Deferred tax asset</b>								
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	245.61	234.50	202.44	165.24	(11.11)	(32.06)	(37.20)	(32.14)
Provision for expected credit loss (ECL)	441.73	420.68	328.00	297.30	(21.05)	(92.68)	(30.70)	(44.70)
Tax on re-measurement gains / (losses) on defined benefit plans	-	-	-	-	(1.14)	(9.20)	0.84	11.41
<b>Gross deferred tax asset</b>	<b>687.34</b>	<b>655.18</b>	<b>530.44</b>	<b>462.54</b>	<b>(33.30)</b>	<b>(133.94)</b>	<b>(67.06)</b>	<b>(65.43)</b>
<b>Deferred tax expense/(income)</b>					<b>(23.43)</b>	<b>(113.12)</b>	<b>447.63</b>	<b>52.07</b>
<b>Deferred tax liability (net)</b>	<b>531.18</b>	<b>553.47</b>	<b>657.39</b>	<b>210.60</b>				

(E) Deferred tax asset comprises: (₹ million)

	Balance Sheet				Statement of profit and loss			
	As at	As at	As at	As at	Three months	Year ended		
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Deferred tax Asset</b>								
Property Plant & Equipments: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(2.48)	(1.50)	(5.33)	-	0.98	(3.83)	5.33	-
On account of carry forward of business loss	2.21	1.60	6.03	-	(0.62)	4.43	(6.03)	-
<b>Gross deferred tax asset</b>	<b>(0.27)</b>	<b>0.10</b>	<b>0.70</b>	<b>-</b>	<b>0.36</b>	<b>0.60</b>	<b>(0.70)</b>	<b>-</b>
<b>Deferred tax expense/(income)</b>								
<b>Deferred tax asset (net)</b>	<b>(0.27)</b>	<b>0.10</b>	<b>0.70</b>	<b>-</b>				

Annexure XXII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Income taxes

**(C) Reconciliation of deferred tax assets/ liabilities (net):**

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>At the beginning of the period/year</b>	553.37	656.69	210.60	169.94
Tax (income)/expense during the period recognised in profit or loss	(23.07)	(119.82)	446.93	52.07
Deferred tax on unrealised profit sale to asset to joint venture	-	7.30	-	-
Tax (income)/expense during the period recognised in OCI	1.14	9.20	(0.84)	(11.41)
<b>At the end of the year</b>	<b>531.44</b>	<b>553.37</b>	<b>656.69</b>	<b>210.60</b>
Deferred tax asset	-	0.10	0.70	-
Deferred tax Liability	531.45	553.47	657.39	210.60

**Notes:-**

(i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(ii) At the time of filing the Income tax return for FY 2016-17, Company has considered the credit balance in personal ledger account (PLA) and RG23A excise accounts as payment of tax under section 43 B of Income Tax Act, 1961. Based on this the Company has recomputed its current tax & deferred tax and changed the tax provision for 2016-17 including deferred tax.

(iii) The Company has received CIT(A) order dated 09 March 2018 for AY 2012-13, 2013-14, 2014-15 and 2015-16 allowing Company's major claims relating to sales tax subsidy as capital receipt, additional depreciation, disallowance u/s 14A read with rule 8D and consequently carry forward losses and payment of tax under MAT. Company's claim was partly allowed, Income Tax Dept. has filed appeals in the tribunal against the Company and Company has also filed appeal against disallowance in these orders, Since subject matter is pending in the higher courts and therefore Company has not accounted for refund receivable on these orders which is ₹ 1021.20 million including interest ₹ 167.00 million u/s 234B and 234C of the Income Tax Act, 1961.

(iv) The Company Controls the dividend policy of its subsidiary and joint ventures. It is able to control the timing of the reversal of the temporary differences associated with that investment ( including the temporary differences arising from undistributed profits). Therefore Company has determined that those profit will not be distributed in the foreseeable future and has not recognised a deferred tax liability. Undistributed profits of the Subsidiaries and joint venture amounting to ₹ 46.86 million (31 March 2018 ₹ 78.43 million) (31 March 2017 ₹ 62.90 million); (31 March 2016 ₹ 11.38 million).

Annexure XXIII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Other non-current liabilities

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Deferred government grant	215.49	182.19	194.63	103.42
	<b>215.49</b>	<b>182.19</b>	<b>194.63</b>	<b>103.42</b>

**Note:-**

Under Ind AS government grants are recorded as deferred liabilities to the extent of unfulfilled export obligations. This amount has been recognised against deferred government grant and amortised subsequently on fulfilment of export obligation.



Restated Ind AS Consolidated Summary Statement of Current financial liabilities

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Borrowings</b>				
<b>Loan repayable on demand (from bank)</b>				
Buyer's Credit (Secured)	2,604.00	4,156.20	4,801.87	3,652.85
Cash Credit from banks (Secured)	227.75	59.25	305.52	662.27
Short-term loan from banks (Secured)	1,822.16	1,087.00	1,067.10	1,776.11
Packing Credit (Secured)	172.21	351.20	415.83	856.69
Short-term loan from a bank (Unsecured)	-	33.80	-	-
	<b>4,826.12</b>	<b>5,687.45</b>	<b>6,590.32</b>	<b>6,947.92</b>

Note-

- (i) Secured borrowings from banks are secured against pari passu first charge by way of hypothecation of inventories and receivables .  
(ii) Pari passu first charge on specific properties , plant and equipments of the Company such as Daman staff quarters, Daman go down premises, factory land and building at Halol and Daman and office building at Mumbai.  
(iii) Pari passu first charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015.  
(iv) Pari passu second charge by way of registered mortgage on all movable assets acquired on or after 1 April 2015.  
(v) Charges with respect to above borrowing has been created in favour of lead banker in the consortium. No separate charge has been created for each of the borrowing.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(B) Trade Payable</b>				
Total outstanding dues of micro and small enterprises	71.50	77.70	74.40	-
Total outstanding dues of creditors other than micro and small enterprises	71.50	77.70	74.40	-
Trade payables - Others - (Refer note - (i))	10,880.98	9,111.28	13,455.14	10,565.83
Trade payables to related parties	7.92	31.89	13.17	-
	<b>10,888.90</b>	<b>9,143.17</b>	<b>13,468.31</b>	<b>10,565.83</b>

- (i) Trade payables includes Bills of Exchange (BOE) accepted against supplier's credit amounting to ₹ 2213.30 Million (31 March 2018: ₹ 4603.20 Million) (31 March 2017: ₹ 4212.60 Million) (31 March 2016 : ₹ 2599.10 Million) BOE are generally payable within 90 days and related discounting charges are paid by the Company.  
(ii) For explanations on the Company's liquidity risk management processes, refer to Annx XLIX(C).  
(iii) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2018 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
a) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:				
Principal	71.50	77.70	74.40	-
Interest	-	2.50	-	-
b) The amount of interest paid by the buyer in terms of section 16, of the MSMED 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 MSMED Act.	-	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	2.50	-	-
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 MSMED Act, 2006	-	-	-	-

**(C) Other current financial liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Current maturities of long-term borrowings (Refer Annx- XX)	791.97	726.10	349.13	0.10
Security deposit	44.82	42.12	42.97	38.79
Interest accrued but not due on borrowings	8.13	15.78	24.10	32.33
Interest accrued and due on borrowings	0.43	1.50	-	2.63
Creditors for capital expenditure	268.70	222.71	298.12	212.95
Derivative liability	48.24	66.50	82.31	23.82
Deferred liability	113.62	78.40	-	-
Other ( refer foot note)	10.05	10.30	-	-
	<b>1,285.96</b>	<b>1,163.41</b>	<b>796.63</b>	<b>310.62</b>

Note :- Company has provided a shortfall undertaking for credit facility availed by Group's joint venture Ryker Base Private Limited amounting to ₹ 780.5 Million . The fair value of corporate guarantee ₹ 10.05 Million (31 March 2018 - ₹ 10.30 Million) (31 March 2017 - Nil) (31 March 2016 - Nil) has been included in caring cost of investment.

Annexure XXV

(₹ million)

Restated Ind AS Consolidated Summary Statement of Other current liabilities

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance from customers	276.76	210.57	188.28	93.30
Contract Liability* (Refer annx - XL)	675.43	777.00	390.80	216.20
Excise duty payable on finished goods	-	-	740.96	466.89
Other statutory dues	66.25	48.77	154.22	295.53
	<b>1,018.44</b>	<b>1,036.34</b>	<b>1,474.26</b>	<b>1,071.92</b>

Note - The company had made a provision of excise duty payable amounting to ₹ 740.96 Million as at 31 March 2017 and ₹ 466.89 Million as at 31 March 2016 on stock of finished goods. In the year ended 31 March 2018, the Government of India has implemented Goods and Service Tax (GST) w.e.f July 01, 2017 which has replaced excise duty, service tax and other indirect taxes. Hence no provision for excise duty on finished goods has been made there after.

Annexure XXVI

(₹ million)

Restated Ind AS Consolidated Summary Statement of Short term provisions

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Provision for employee benefits</b>				
Gratuity (Refer Annx XLII)	96.48	87.80	74.62	73.02
Compensated absences	199.44	196.08	154.66	120.95
Provision for tax on proposed interim equity dividend	-	28.75	28.75	35.93
Provision for warranty (Refer note below)	71.49	63.70	31.37	12.75
	<b>367.41</b>	<b>376.33</b>	<b>289.40</b>	<b>242.65</b>

Note :-

A provision is recognised for expected warranty claims and after sales services on products sold, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
At the beginning of the year	63.70	31.37	12.75	1.90
Arising during the year/period	14.53	45.03	18.62	10.85
Utilised during the year/period	(6.74)	(12.70)	-	-
At the end of the year/period	<b>71.49</b>	<b>63.70</b>	<b>31.37</b>	<b>12.75</b>

Annexure XXVII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Current tax liabilities (Net)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Provision for Current Tax (Net of advance tax)	569.45	823.76	308.62	73.03
	<b>569.45</b>	<b>823.76</b>	<b>308.62</b>	<b>73.03</b>

Annexure XXVIII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Revenue from operations

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Sale of products (including excise duty but excluding GST)				
Finished goods	15,413.70	62,789.98	55,282.47	50,244.76
Traded goods	796.15	3,038.12	2,548.17	3,131.64
Revenue from construction contracts	364.06	2,063.60	1,534.34	2,824.75
	<b>16,573.91</b>	<b>67,891.70</b>	<b>59,364.98</b>	<b>56,201.15</b>
<b>Other operating revenue</b>				
Scrap sales	244.17	1,279.17	1,027.54	917.59
Export incentives	8.38	68.30	77.56	23.67
	<b>16,826.46</b>	<b>69,239.17</b>	<b>60,470.08</b>	<b>57,142.41</b>

i) During the three month period ended on 30 June 2018 Revenue from operations includes -Revenue from contracts with customers ₹ 16818.08 Million (31 March 2018 ₹ 69170.87 Million; 31 March 2017 ₹ 60392.52 Million; 31 March 2016 ₹ 57118.74 Million) and others ₹ 8.38 Million (31 March 2018 ₹ 68.30 Million; 31 March 2017 ₹ 77.56 Million; 31 March 2016 ₹ 23.67 Million)

ii) Aggregate amount of the transaction price (net of tax) allocated to long-term construction contracts that are partially or fully unsatisfied as at 30 June 2018 - ₹ 8505.08 Million (31 March 2018 ₹ 8518.78 Million) (31 March 2017 ₹ 9556.58 Million) (31 March 2016 ₹ 2879.75 Million). The unsatisfied performance obligation is expected to be recognised within 24 months.

iii) Revenue recognised in the three month period ended 30 June 2018 ₹ 174.45 (31 March 2018 - ₹ 286.06 Million) (31 March 2017 - ₹ 216.20 Million) (31 March 2016 - Nil) that was included in the contract liability balance as at 31 March 2018, 31 March 2017, 31 March 2016 and 31 March 2015 respectively

iv) According to the requirements of Ind AS 18 - "Revenue", Revenue from operations for the current year (period 01 April 2017 to 30 June 2017) and year ended 31 March 2017 and 31 March 2016, are reported inclusive of Excise Duty of ₹ 1446.47 million, ₹ 5468.91 million and ₹ 5118.02 million respectively. Effective 01 July 2017, the Government of India has implemented Goods and Service Tax ("GST") replacing Excise Duty, Service Tax and various other indirect taxes. The Group has collected ₹ 10654.20 million and ₹ 2882.82 million towards GST from its customer during the period from 01 July 2017 to 31 March 2018 and 1 April 2018 to 30 June 2018 respectively. The sales inclusive of excise and GST for the three month ended 30 June 2018 is ₹ 19700.90 million (Year ended 31 March 2018 ₹ 79893.37 million; 31 March 2017 ₹ 60470.08 million and 31 March 2016 ₹ 57142.41 million) whereas the sales net of excise and GST is for the three month ended 30 June 2018 is ₹ 16818.08 million (year ended 31 March 2018 ₹ 67792.70 million (31 March 2017 ₹ 55001.17 million; 31 March 2016 ₹ 52024.39 million).

v) Reconciliation between Revenue from operation and contracted price as per Ind AS 115:

Revenue Reconciliation	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Revenue recognised as per Statement of Profit & loss	16,826.46	69,239.17	60,470.08	57,142.41
<b>Add : Adjustments</b>				
Price adjustments such as Discounts, Rebates and Sales Promotion Schemes	237.74	1,015.30	708.40	754.51
Excess Revenue - EPC	675.40	777.00	390.76	216.20
Provision for expected sales return	56.80	(35.65)	(27.83)	185.90
Other adjustments	35.22	78.40	11.73	2.14
<b>Less : Adjustments</b>				
Unbilled Revenue - EPC	(133.56)	(140.30)	(145.49)	-
Export Incentives	(8.38)	(68.30)	(77.60)	(23.66)
<b>Contracted Price</b>	<b>17,689.68</b>	<b>70,865.62</b>	<b>61,330.05</b>	<b>58,277.50</b>

vi) Contract Balances as at:

Contract Balances	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Trade Receivables	11,243.43	13,573.59	12,217.39	13,600.17
Contract Assets	133.56	140.30	145.49	-
Contract Liabilities	675.45	777.01	390.81	216.20

Annexure XXIX

(₹ million)

Restated Ind AS Consolidated Summary Statement of Other income

	Related/Not related to normal business activity	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Recurring other income</b>					
Interest income on					
Bank deposits	Not Related	0.38	4.47	8.83	7.10
Others	Not Related	7.46	22.93	30.52	26.65
Government Grant	Related	25.70	226.15	323.37	271.08
<b>Non-Recurring other income</b>					
Miscellaneous income (refer Annx - LV)	Not Related	5.12	9.18	98.43	11.85
Gain on fair valuation of financial asset (refer note below)	Related	82.51	8.60	-	14.35
Gain on sale of fixed asset	Not Related	-	49.00	-	-
Exchange differences (net)	Related	85.55	300.01	290.98	-
		<b>206.72</b>	<b>620.34</b>	<b>752.13</b>	<b>331.03</b>

Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that did not qualify for hedge accounting and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Annexure XXX

(₹ million)

Restated Ind AS Consolidated Summary Statement of Cost of materials consumed

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Copper	6,829.23	27,129.44	23,241.45	19,269.26
Aluminium	2,461.56	8,722.21	7,739.51	7,012.79
Steel	592.40	2,268.30	2,169.33	1,950.02
PVC Compound/HDPE/LDPE/XLPE/Resin	1,737.20	6,494.90	6,333.48	5,740.77
Packing Materials	160.35	952.39	986.29	1,011.70
Others	529.60	2,180.16	1,107.05	610.00
	<b>12,310.34</b>	<b>47,747.40</b>	<b>41,577.11</b>	<b>35,594.54</b>

Annexure XXXI

(₹ million)

Restated Ind AS Consolidated Summary Statement of Purchases of traded goods

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Electric wiring accessories	49.30	275.92	298.13	189.13
Electric appliance	590.00	1,993.07	1,583.61	1,424.89
Metals	-	-	-	1,191.55
Others	13.49	143.30	64.18	259.90
	<b>652.79</b>	<b>2,412.29</b>	<b>1,945.92</b>	<b>3,065.47</b>

Annexure XXXII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Changes in Inventories of finished goods, traded goods and work-in-progress

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Inventory at the beginning of the year				
Work-in-progress	1,055.79	1,263.49	977.91	1,115.04
Finished goods	6,452.22	6,884.87	4,943.57	4,355.48
Traded goods	458.63	514.05	502.08	419.34
Scrap materials	134.70	113.44	157.24	104.36
	<b>8,101.34</b>	<b>8,775.85</b>	<b>6,580.80</b>	<b>5,994.22</b>
Inventory at the end of the year				
Work-in-progress	1,198.03	1,055.79	1,263.49	977.91
Finished goods	6,981.99	6,452.22	6,884.87	4,943.57
Traded goods	492.96	458.63	514.05	502.08
Scrap materials	81.83	134.70	113.44	157.24
	<b>8,754.81</b>	<b>8,101.34</b>	<b>8,775.85</b>	<b>6,580.80</b>
<b>Changes in Inventories of finished goods, traded goods and work-in-progress ((Increase)/Decrease))</b>	<b>(653.47)</b>	<b>674.51</b>	<b>(2,195.05)</b>	<b>(586.58)</b>

Annexure XXXIII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Project bought outs and other cost

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Project bought outs	249.13	867.73	812.11	1,421.48
Subcontracting expense	86.57	379.30	292.08	394.01
	<b>335.70</b>	<b>1,247.03</b>	<b>1,104.19</b>	<b>1,815.49</b>

Annexure XXXIV

(₹ million)

Restated Ind AS Consolidated Summary Statement of Employee benefits expense

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages and bonus	654.06	2,336.05	2,087.30	1,868.41
Contribution to provident and other funds (Refer Annx - XLII)	37.87	163.85	141.48	126.25
Staff welfare expense	19.91	92.65	62.20	65.95
	<b>711.84</b>	<b>2,592.55</b>	<b>2,290.98</b>	<b>2,060.61</b>

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure XXXV

(₹ million)

Restated Ind AS Consolidated Summary Statement of Other expenses

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Consumption of stores and spares	114.39	502.17	436.45	414.80
Sub-contracting expenses	163.35	678.40	529.16	375.16
Increase/(decrease) in excise duty on closing stock of finished goods	-	(741.00)	110.12	206.63
Power and fuel	217.27	838.56	847.82	818.70
Rent	36.64	156.88	125.05	105.84
Rates and taxes	2.23	21.56	54.48	65.74
Insurance	7.96	35.13	20.43	14.77
Repairs and maintenance				
Plant and machinery	21.62	44.32	49.90	79.17
Buildings	6.88	33.30	58.57	77.63
Others	54.90	195.66	113.69	102.41
Advertising and sales promotion	461.43	936.94	580.96	579.41
Brokerage and commission	77.96	355.56	205.60	235.30
Travelling and conveyance	54.32	205.83	168.82	168.83
Communication Cost	8.49	27.77	28.33	32.23
Legal and professional fees	50.00	391.11	402.47	314.04
Freight & forwarding expenses	319.96	1,250.24	1,093.24	945.19
Payment to auditor (Refer note below)	4.43	19.43	17.25	13.88
Sundry advances written off	-	8.01	64.38	2.67
Loss on sale of fixed asset	1.55	-	1.36	15.17
(Gain)/Loss on fair valuation of financial asset	-	-	4.77	-
Impairment allowance for trade receivable considered doubtful	78.71	421.00	324.30	359.62
Exchange differences (net)	-	-	-	15.13
Fair value of written put options	-	55.00	-	-
CSR expenditure (Refer Annx - XLI)	9.16	58.60	21.34	17.24
Miscellaneous expenses	49.75	216.26	220.06	207.55
	<b>1,741.00</b>	<b>5,710.73</b>	<b>5,478.55</b>	<b>5,167.11</b>
<b>Note-</b>				
<b>Payments to the auditor (excluding applicable taxes):</b>				
<b>As auditor</b>				
Audit fee	4.19	17.57	15.71	13.20
Certification fees	0.24	1.86	1.54	0.50
Reimbursement of expenses	-	-	-	0.18
	<b>4.43</b>	<b>19.43</b>	<b>17.25</b>	<b>13.88</b>

Annexure XXXVI

(₹ million)

Restated Ind AS Consolidated Summary Statement of Finance cost

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Interest	149.03	736.04	646.77	1,282.61
Others	222.65	200.76	12.72	190.91
	<b>371.68</b>	<b>936.80</b>	<b>659.49</b>	<b>1,473.52</b>

Annexure XXXVII

(₹ million)

Restated Ind AS Consolidated Summary Statement of Depreciation and amortization expense

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Depreciation of tangible assets ( Refer Annx -VII)	346.34	1,288.32	1,238.29	1,077.18
Amortization of intangible assets (Refer Annx -VIII)	5.21	41.20	40.54	33.98
	<b>351.55</b>	<b>1,329.52</b>	<b>1,278.83</b>	<b>1,111.16</b>

Restated Ind AS Consolidated Summary Statement of Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent 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 losses for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

The Group has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Profit attributable to equity holders for basic earnings:	752.04	3,702.47	2,324.93	1,847.90
Weighted average number of equity shares for basic EPS (No. in Million)	141.21	141.21	141.21	141.21
Basic and diluted earnings per share (₹)*	5.33	26.22	16.46	13.09

\*Basic EPS and Diluted EPS for the three month period ended June 30, 2018 are not annualised

**Employee Stock Option Plan 2018**

Pursuant to the resolutions passed by our Board on August 30, 2018 and our Shareholders on August 30, 2018, the Parent company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 3.53 million Equity Shares. The company reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

**Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018**

The company also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under "Performance Scheme" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

Restated Ind AS Consolidated Summary Statement of Commitments and contingencies

(A) Leases

**Operating lease: Group as lessee**

The Group has taken industrial premises, residential building, land (space for godowns) under various lease agreements. There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Lease payment for the period/year	11.79	32.14	33.09	28.77
Within one year	51.56	46.18	30.24	26.61
After one year but not more than five years	159.21	153.94	134.43	61.59
More than five years	101.32	108.10	87.89	61.73

(B) Capital and other commitments

Estimated amounts of contracts remaining to be executed on account of capital commitments and not provided for (net of advances)	1,341.69	1,246.16	1,332.56	2,166.20
--	----------	----------	----------	----------

(C) Contingent liabilities (to the extent not provided for)

**a) Guarantees**

(i) Guarantees given by the Group's bankers to Group	5,605.80	4,849.00	4,830.20	4,163.28
--	----------	----------	----------	----------

**b) Other matters for which the Group is contingently liable**

	Period to which relates				
(i) Taxation matters					
(a) Disputed liability in respect of sales tax /VAT demand & pending sales tax/VAT forms	2007-08 to 2016-17	352.50	359.14	252.70	22.71
(b) Disputed liability in respect of excise duty demand	2007-08 to 2014-15	45.60	45.60	107.20	81.36
(c) Disputed liability in respect of custom duty demand	2010-11 and 2011-12	15.50	15.50	15.50	15.49
(d) Disputed liability in respect of Service tax demand		-	-	4.34	-

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Group doesn't expect the outcome of matters stated above to have a material adverse effect on the Group's financial conditions, result of operations or cash flows.

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure XL

(₹ million)

Restated Ind AS Consolidated Summary Statement of Disclosure in terms of Ind AS 115 on the accounting of construction contract is as under

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
a) Contract revenue recognised for the period/year (Net of tax)	364.06	2,063.60	1,534.34	2,824.75
b) Contract that are in progress as on reporting date				
(i) Contract costs incurred and recognised profits (less recognised losses)	364.06	2,063.60	1,534.34	2,824.75
(ii) Amount of retentions*	831.50	792.20	483.18	351.92
(iii) Recognised and included in the financial statements as:				
Contract Asset	128.50	140.30	145.49	-
Contract Liability	675.43	777.00	390.80	216.20

\*Retentions are specific to projects and are generally receivable within 6 months from the completion of project.

Annexure XLI

(₹ million)

Restated Ind AS Consolidated Summary Statement of Details of CSR expenditure

		Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Gross amount required to be spent by the group during the year as per provisions of section 135 of Companies Act,2013</b>	A	20.11	57.93	42.87	32.69
<b>Gross amount spent by the Company during the year</b>					
Rural development programmes		4.47	5.70	6.43	13.25
Social empowerment		1.09	5.90	0.20	2.55
Promotion of education		3.34	37.30	2.65	0.71
Programmes on girl's education		-	-	-	0.33
Flood relief activity		-	-	-	0.16
Health care facility & awareness		0.15	3.80	11.13	0.16
Environmental awareness		-	4.50	0.02	-
Others		0.11	1.40	0.91	0.08
<b>Total</b>	B	<b>9.16</b>	<b>58.60</b>	<b>21.34</b>	<b>17.24</b>
<b>Shortfall/(Excess)</b>	A-B	<b>10.95</b>	<b>(0.67)</b>	<b>21.53</b>	<b>15.45</b>

Annexure XLII

Restated Ind AS Consolidated Summary Statement of Gratuity and other post-employment benefit plans

**(A) Defined benefit plan- As per actuarial valuation**

The Group operates one defined plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

**Statement of profit and loss**

**Net employee benefits expense recognised in profit or loss:**

(₹ million)

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Current service cost	11.39	45.42	40.36	31.83
Net interest cost	3.57	11.90	11.23	8.36
Past service cost	-	21.18	-	-
<b>Net benefits expense</b>	<b>14.96</b>	<b>78.50</b>	<b>51.59</b>	<b>40.19</b>

**Net actuarial (gain)/ loss recognised in Other comprehensive income for the period:**

(₹ million)

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Actuarial (gain) /loss on obligations	3.75	(36.34)	3.40	35.11
Return on plan assets, excluding interest income	(7.03)	9.84	(0.99)	(2.14)
<b>Net (Income)/Expense for the period recognized in OCI</b>	<b>(3.28)</b>	<b>(26.50)</b>	<b>2.41</b>	<b>32.97</b>

**Balance sheet**

**Benefits liability**

(₹ million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Present value of defined benefit obligation	(367.36)	(352.92)	(315.87)	(274.49)
Fair value of plan assets	191.63	170.02	151.02	130.49
<b>Plan liability</b>	<b>(175.73)</b>	<b>(182.90)</b>	<b>(164.85)</b>	<b>(144.00)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

(₹ million)

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Opening defined benefit obligation	352.92	315.87	274.49	184.71
Interest cost	6.88	22.80	21.41	14.74
Current service cost	11.39	45.41	40.35	31.83
Past service cost	-	21.19	-	-
Liability transferred in/acquisition	-	-	-	26.11
Benefits paid	(7.57)	(16.05)	(23.79)	(18.01)
Actuarial (gains)/losses on obligations	-	-	-	-
Due to change in financial assumptions	(12.92)	(42.29)	14.70	4.04
Due to experience	16.66	5.99	(11.29)	31.07
<b>Closing defined benefit obligation</b>	<b>367.36</b>	<b>352.92</b>	<b>315.87</b>	<b>274.49</b>

**Changes in the fair value of plan assets are as follows:**

(₹ million)

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Opening fair value of plan assets	170.02	151.02	130.49	79.94
Expected return	3.32	10.90	10.18	6.37
Contribution by employer	18.86	34.00	33.15	48.06
Assets transferred in/acquisition	-	-	-	11.99
Benefits paid	(7.60)	(16.10)	(23.79)	(18.01)
Actuarial gains	7.03	(9.80)	0.99	2.14
<b>Closing fair value of plan assets</b>	<b>191.63</b>	<b>170.02</b>	<b>151.02</b>	<b>130.49</b>

The group expects to contribute ₹ 96.48 Million to gratuity in the next year (31 March 2018: ₹ 87.80 Million ) (31 March 2017: ₹ 74.62 Million ) (31 March 2016: ₹ 73.02 Million).

**Current & non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:**

(₹ million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Current	96.48	87.80	74.62	73.02
Non-current	79.25	95.10	90.23	70.98



Annexure XLII

Restated Ind AS Consolidated Summary Statement of Gratuity and other post-employment benefit plans

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Investment with insurer	100%	100%	100%	100%

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Discount rate	8.29%	7.80%	7.22%	7.80%
Expected rate of return on plan assets	8.29%	7.80%	7.22%	7.80%
Employee turnover	10.00%	10.00%	10.00%	10.00%
Salary escalation	11.00%	12.00%	12.00%	12.00%
Mortality rate during employment	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.	N.A.

The average expected future service as at 30 June 2018 is 8 years (31 March 2018 - 8 years) (31 March 2017 - 8 years) (31 March 2016 - 8 years).

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

**(B) Defined contribution plan**

The Group has recognised expenses towards defined contribution plan as under

	(₹ million)			
	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Contribution to provident fund	17.63	65.39	64.33	64.51

A quantitative sensitivity analysis for significant assumption as shown below:

	(₹ million)			
	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Projected benefit obligation on current assumptions	367.36	352.94	315.87	274.49
Delta effect of +1% change in rate of discounting	(23.84)	(23.75)	(24.57)	(21.12)
Delta effect of -1% change in rate of discounting	27.33	27.33	28.61	24.58
Delta effect of +1% change in rate of salary increase	24.57	24.89	23.01	20.37
Delta effect of -1% change in rate of salary increase	(22.23)	(22.37)	(21.75)	(19.03)
Delta effect of +1% change in rate of employee turnover	(4.73)	(5.63)	(7.91)	(6.40)
Delta effect of -1% change in rate of employee turnover	5.27	6.32	8.97	7.25

Usefulness and methodology adopted for sensitivity analysis:

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Maturity analysis of projected benefit obligation from the fund.

Projected benefits payable in future years from the date of reporting.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
1st following year	50.90	48.29	29.63	25.49
2nd following year	30.41	27.73	23.59	19.64
3rd following year	30.38	28.00	23.44	22.40
4th following year	33.10	30.24	24.09	22.45
5th following year	32.42	30.67	26.07	22.76
Sum of years 6 to 10	166.46	30.67	130.71	118.03

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure XLIII

Restated Ind AS Consolidated Summary Statement of Interest in joint ventures

a) Ryker Base Private Limited (Ryker) :- On 7 November 2016, The parent Company had acquired Ryker Base Private Limited as a wholly owned subsidiary company. On 31 March 2017, Ryker Base Private Limited has been converted into 50% joint venture (JV) with Trafigura Pte Ltd for a consideration of ₹ 260.10 million by allotment of 26,010,000 equity shares of ₹ 10 each of Ryker Base Private Limited.

b) Techno Electromech Private Limited (TEPL) :- The parent company has invested ₹ 70.20 million for acquiring 50% shares of Techno Electromech Private Limited during the year ended 31 March 2017 as per joint venture agreement, Techno Electromech Private Limited has become JV company with effect from 9 March 2017. The goodwill has been arrived as per below calculation:-

	(₹ million)
Net worth on the date of joint venture	44.21
Polycab India Limited's share (50%)	22.10
Purchase consideration paid	70.20
<b>Goodwill</b>	<b>48.10</b>

The Group has followed Equity method of accounting as per Ind AS 28 "Investments in Associates and Joint Ventures" for above transaction for consolidation of accounts.

Summarised balance sheet as at 30 June 2018:

	(₹ million)							
	TEPL	TEPL	TEPL	TEPL	Ryker	Ryker	Ryker	Ryker
	As at	As at	As at	As at	As at	As at	As at	As at
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
Current assets, including cash and cash equivalents	686.40	646.36	370.90	-	471.21	765.67	287.40	-
Non-current assets	374.50	340.85	123.10	-	2,005.10	1,649.47	255.30	-
Current liabilities, including tax payable	(620.32)	(553.28)	(305.40)	-	(146.08)	(126.51)	(30.30)	-
Non-current liabilities, including deferred tax liabilities	(288.69)	(288.82)	(55.60)	-	(1,868.35)	(1,761.25)	-	-
<b>Equity</b>	<b>151.89</b>	<b>145.11</b>	<b>133.00</b>	<b>-</b>	<b>461.88</b>	<b>527.38</b>	<b>512.40</b>	<b>-</b>
Proportion of the Group's ownership	50%	50%	50%	-	50%	50%	50%	-
Group's share of net worth	75.93	72.55	66.50	-	230.94	263.69	256.20	-

Reconciliation of summarised balance sheet to the carrying amount of interest in Ryker base Private limited recognised in the consolidated Balance Sheet:

	As at	As at	As at
	30 June 2018	31 March 2018	31 March 2017
Net Assets of Ryker Base Private Limited	461.88	527.38	512.40
Proportion of the Group's Ownership interest in Ryker Base Private limited	50%	50%	50%
	230.94	263.69	256.20
Elimination of unrealised profit on sale of fixed assets (net of tax)	(24.33)	(24.33)	-
Elimination of unrealised profit on sale of product	(3.30)	-	-
Corporate guarantee amortised	(0.25)	-	-
<b>Carrying amount of Group's interest in Ryker Base Private Limited</b>	<b>203.06</b>	<b>239.36</b>	<b>256.20</b>

Summarised statement of profit and loss of the joint ventures :

	(₹ million)							
	TEPL	TEPL	TEPL	TEPL	Ryker	Ryker	Ryker	Ryker
	Three month	Year ended	Year ended	Year ended	Three month	Year ended	Year ended	Year ended
	period ended	Year ended	Year ended	Year ended	period ended	Year ended	Year ended	Year ended
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
Revenue	371.10	830.62	489.40	-	1.84	29.37	0.30	-
Cost of raw material and components consumed	(297.11)	(665.39)	(409.10)	-	-	-	-	-
Depreciation & amortization	(3.56)	(5.64)	(1.90)	-	-	-	-	-
Finance cost	(9.10)	(21.01)	(17.70)	-	(72.47)	(29.90)	(1.10)	-
Employee benefit	(14.29)	(36.52)	(17.70)	-	(1.98)	(1.47)	(2.20)	-
Other expense	(38.69)	(88.88)	(19.61)	-	(14.14)	(8.10)	(4.70)	-
<b>Profit before tax</b>	<b>8.35</b>	<b>13.18</b>	<b>23.39</b>	<b>-</b>	<b>(86.75)</b>	<b>(10.10)</b>	<b>(7.70)</b>	<b>-</b>
Income tax expense	(2.47)	(1.83)	(9.00)	-	21.25	4.42	(0.10)	-
<b>Profit for the year</b>	<b>5.88</b>	<b>11.35</b>	<b>14.39</b>	<b>-</b>	<b>(65.50)</b>	<b>(5.68)</b>	<b>(7.80)</b>	<b>-</b>
Other comprehensive (income)/expense for the year	(0.88)	(0.65)	-	-	-	-	-	-
Total comprehensive income for the year	6.76	12.00	14.39	-	(65.50)	(5.68)	(7.80)	-
Group's share of profit for the year	3.38	6.00	0.61	-	(32.75)	(2.84)	(3.90)	-
Elimination of unrealised profit from transaction with joint ventures	(1.83)	(2.10)	-	-	(3.30)	-	-	-
Share of profit/(loss) of joint ventures (Net of tax) carried over to statement of profit and loss	1.55	3.90	0.61	-	(36.05)	(2.84)	(3.90)	-

The Parent Company had no contingent liabilities or capital commitments relating to its interest in joint ventures as at 30 June 2018 except the corporate guarantee provided to bank against the borrowing by Ryker base pvt. ltd (Refer Annx - IX). Joint ventures can not distribute this profits until they obtain consent from the venture partners.

Polycab India Limited (formerly known as 'Polycab Wires Limited')  
(Amounts in INR million, unless otherwise stated)

Annexure XLIV

Restated Ind AS Consolidated Summary Statement of Related party disclosures

**Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Related parties where control exists	Nature of Relationship
Ryker Base Private Limited	Joint Venture (w.e.f. 31 March 2017)
Techno Electromech Private Limited (TEPL)	Joint Venture (w.e.f. 9 March 2017)

**Enterprises owned or significantly influenced by key managerial personnel**

Microcab Industries & Logistics Private Limited (MILPL)  
AK Enterprises (A.K)  
Jaisingh Finance Private Limited (JFPL)  
Dowells Elektro Werke (DEW)  
Dowells Electricals (DE)  
D J Electricals Private Limited (DJEPL)  
Tirupati Tradelinks Privates Limited (TTPL)

**(A) Transactions with subsidiaries/fellow subsidiaries/enterprises significantly influenced**

(₹ million)

Particulars	DEW				DE				DJEPL				JFPL				TTPL				MILPL				A.K Enterprises				TEPL				Ryker							
	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16				
Sales of Goods	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Purchase of Goods	-	-	-	-	1.08	-	-	0.21	1.04	-	-	-	-	-	-	-	11.24	61.13	38.70	-	-	-	-	-	-	-	-	-	196.40	480.40	44.35	-	-	-	-	-				
Rent paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	4.20	3.60	2.40	7.30	28.90	12.33	-	-	-	-	-	-	-	-				
Sale of Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Loans given to related party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Loan given repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.20	4.80	-	-				
Receipt of labour job charges	-	-	-	-	-	-	0.75	0.02	-	-	-	-	-	-	-	-	0.28	1.25	2.85	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Receipt of services	-	0.87	0.84	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Purchase of fixed Assets	-	-	-	-	0.12	6.40	-	4.20	4.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Reimbursement of Expenses	-	-	-	-	0.01	0.06	-	0.02	-	0.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.70	-	-	-	-	-	-	-	-	-				
Repayment for reimbursement of expenses which made on our behalf	-	-	-	-	-	0.43	-	-	-	0.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.70	-	-	-	-	-	-
<b>Balances at year end</b>	<b>DEW</b>				<b>DE</b>				<b>DJEPL</b>				<b>JFPL</b>				<b>TTPL</b>				<b>MILPL</b>				<b>A.K Enterprises</b>				<b>TEPL</b>				<b>Ryker</b>							
Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	140.00	140.00	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.28	-	38.10	46.10	98.06	-	15.30	12.90	0.29	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	112.80	66.50	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.50	4.30	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.20	6.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payable	-	-	-	-	7.30	6.08	0.84	0.03	5.31	0.02	-	-	-	-	-	-	16.86	19.56	12.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note :-The parent Company has provided a shortfall undertaking for credit facility availed by it's Joint Venture M/s Ryker Base Private Limited , amounting to ₹ 780.50 Million . The fair value of corporate guarantee ₹ 10.05 Million (31 March 2018 - ₹ 10.30 Million) (31 March 2017 - Nil) (31 March 2016 - Nil) has been included in carrying cost of investment.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure XLIV

Restated Ind AS Consolidated Summary Statement of Related party disclosures

**Key management personnel**

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. R. Ramakrishnan	Chief Executive * (upto 23 May 2018)
Mr. Ramesh T. Jaisinghani	Whole time Director
Mr. Ajay T. Jaisinghani	Whole time Director
Mr. Shyam Lal Bajaj	Chief Financial officer and Whole time Director - Finance (w.e.f. 15 December 2016)
Mr. Radhey Shyam Sharma	Independent Director (w.e.f. 20 September 2018)
Mr. Tilokchand Punamchand Ostwal	Independent Director (w.e.f. 20 September 2018)
Mr. Pradeep Poddar	Independent Director (w.e.f. 20 September 2018)
Mrs. Hiroo Mirchandani	Independent Director (w.e.f. 20 September 2018)
Mr. Subramaniam Sai Narayana	Company Secretary
Mr. Rajesh Jain	Deputy Managing Director (upto 19 September 2016)
Mr. Jayantibhai S. Patel (JSP)	Managing Director (Dowells Cable Accessories Private Limited)
Ms. Divyaprabha J. Patel (DJP)	Director (Dowells Cable Accessories Private Limited)
Mr. Suresh Kumar Jajodia	Whole time Director (Tirupati Reels Private Limited)
Mr. Pratik Suresh Jajodia	Whole time Director (Tirupati Reels Private Limited)
Mr. Rishikesh Suresh Rajurkar	Director (Tirupati Reels Private Limited)
Mr. Chandrashekar Ponnuswamy	President and Group CFO (upto 15 June 2016)

\* Mr. R. Ramakrishnan was Key management personnel and Joint Managing Director of the Company till 23 May 2018.

**Relatives of Key management personnel**

Mr. Bharat A. Jaisinghani	Son of Mr. Ajay T. Jaisinghani
Mr. Girdhari T. Jaisinghani	Brother of Mr. Inder T. Jaisinghani
Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Mr. Nikhil R. Jaisinghani	Son of Mr. Ramesh T. Jaisinghani
Ms. Anita Devi Jajodia	Wife of Mr. Suresh Kumar Jajodia
Mr. Nikhil Jajodia	Son of Mr. Suresh Kumar Jajodia

**(B) Transactions with directors and their relatives**

(₹ million)

	As on	Loans taken	Addition on account of amalgamation	Repayment	Interest paid	Interest accrued	Payable to related parties
<b>Loan from directors</b>							
	<b>30 June 2018</b>	-	-	-	-	-	-
	31 March 2018	-	-	-	-	-	-
Mr. Inder T. Jaisinghani	31 March 2017	1.50	-	1.50	-	-	-
	31 March 2016	1.00	0.01	1.01	-	-	-
	<b>30 June 2018</b>	-	-	-	-	-	-
	31 March 2018	-	-	-	-	-	-
Ms. Divyaprabha J. Patel	31 March 2017	0.03	-	0.03	-	-	-
	31 March 2016	-	-	-	-	-	-

**Annexure XLIV****Restated Ind AS Consolidated Summary Statement of Related party disclosures**

<b>(C) Remuneration paid</b>								(₹ million)
Name of the director/relative	Three month period ended 30 June 2018	Outstanding at the period end	Year ended 31 March 2018	Outstanding at the year end	Year ended 31 March 2017	Outstanding at the year end	Year ended 31 March 2016	Outstanding at the year end
Mr. Bharat A. Jaisinghani	2.68	2.80	10.83	2.35	7.95	1.88	6.59	1.05
Mr. Nikhil R. Jaisinghani	2.68	2.80	10.83	2.35	7.95	1.88	6.58	1.05
Mr. Girdhari T. Jaisinghani	2.15	2.47	8.95	2.07	7.13	1.65	6.04	1.05
Mr. Kunal Jaisinghani	0.31	-	1.20	-	0.67	-	0.45	-
Mr. Nikhil Jajodia	0.24	-	0.96	-	0.48	-	-	-

<b>(D) Rent paid</b>					(₹ million)
Name of the director/relative	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016	
Mr. Inder T. Jaisinghani	-	-	0.10	0.10	
Ms. Anita Devi Jajodia	0.11	0.44	0.44	0.40	
Mr. Nikhil Jajodia	0.06	0.24	0.24	0.22	
Mr. Prateek Suresh Jajodia	0.03	0.13	0.13	0.13	
Mr. Suresh Kumar Jajodia	0.06	0.23	0.23	0.21	

<b>(E) Expenses reimbursed</b>				(₹ million)
Mr. Jayantibhai S. Patel	0.79	0.74	0.88	-

<b>(F) Repayment of expenses reimbursed</b>				(₹ million)
Mr. Jayantibhai S. Patel	0.49	0.49	0.88	1.50

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables, for the three month period ended 30 June 2018, since there is no outstanding as on 30 June 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Annexure XLIV

Restated Ind AS Consolidated Summary Statement of Related party disclosures

**(G) Remuneration of key management personnel (KMP)**

Remuneration paid for the year and outstanding as on 30 June 2018 to key managerial personnels

(₹ million)

	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	For the three months	Outstanding at the period end	For the Year	Outstanding at the year end	For the Year	Outstanding at the year end	For the Year	Outstanding at the year end
Mr. Inder T. Jaisinghani	15.71	51.18	68.10	35.48	56.60	30.54	50.84	16.50
Mr. Ramesh T. Jaisinghani	6.27	12.09	29.90	10.48	25.20	14.29	22.07	4.66
Mr. Ajay T. Jaisinghani	6.27	12.09	29.90	10.48	25.20	14.29	21.94	4.66
Mr. R. Ramakrishnan	3.58	9.52	31.20	8.14	31.27	31.39	25.10	19.15
Mr. Shyam Lal Bajaj	5.80	10.80	22.80	5.00	6.85	2.67	-	-
Mr. Subramaniam Sai Narayana	0.78	0.78	2.60	0.19	2.54	0.49	2.30	0.12
Mr. Rajesh Jain	-	-	-	-	10.50	0.35	20.42	4.16
Mr. Chandrashekar Ponnuswamy	-	-	-	-	-	-	12.50	1.08
Mr. Pratik Suresh Jajodia	0.36	0.11	1.44	0.11	0.72	0.10	-	-
<b>Total</b>	<b>38.77</b>	<b>96.57</b>	<b>185.94</b>	<b>69.88</b>	<b>158.88</b>	<b>94.12</b>	<b>155.17</b>	<b>50.33</b>

-As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Group as a whole, the amounts pertaining to the directors are not included above.

(₹ million)

Payables to Related parties	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Mr. Suresh Kumar Jajodia	0.02	0.02	0.03	0.03
Mr. Jayantibhai S. Patel	0.30	0.25	-	-
Mr. Pratik Suresh Jajodia	0.11	-	0.11	0.03
Ms. Anita Devi Jajodia	0.03	0.03	0.07	0.07
Mr. Nikhil Jajodia	0.15	0.07	0.10	0.04

(₹ million)

Receivable from Related parties	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Mr. Jayantibhai S. Patel	1.50	1.50	1.50	1.50

Annexure XLV

Restated Ind AS Consolidated Summary Statement of List of subsidiaries & joint ventures

Set out below is the list of subsidiaries and joint ventures:

	Nature	Country of incorporation	Ownership interest (%)			
			As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Polycab Wires Italy SRL	Subsidiary	Italy	100.00%	100.00%	100.00%	100.00%
Tirupati Reels Private Limited	Subsidiary	India	55.00%	55.00%	55.00%	55.00%
Dowells Cable Accessories Private Limited	Subsidiary	India	51.00%	51.00%	51.00%	51.00%
Jaisingh Wires FZE UAE	Subsidiary	Dubai	~	~	~	100.00%
Ryker Base Private Limited #	Joint Venture	India	50.00%	50.00%	50.00%	-
Techno Electromech Private Limited @	Joint Venture	India	50.00%	50.00%	50.00%	-

The principal place of business of all the entities listed above is the same as the respective country of incorporation.

(a) ~Entity closed/deregistered w.e.f. 24 October 2016.

(b) # Joint venture w.e.f. 31 March 2017.

(c) @ Joint venture w.e.f. 9 March 2017.

**Basis for segmentation**

The Group is primarily engaged in the business of manufacture and sale of electric wires and cables. The Group has identified business segments as primary segments, namely electric wires and cables, Fast moving electrical goods & others business. All operating segments' operating results are reviewed regularly by the Group's senior management to make decisions about resources to be allocated to the segments and assess their performance.

The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's chairman reviews internal management reports on periodical basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Wires & Cables	- Manufacture and sale of electric wires and cables.
Fast moving electrical goods (FMEG)	- Electric consumer durable business comprises of business covering electric wiring accessories and electric appliances.
Others	- Other business comprises EPC business which includes design, engineering, supply, execution and commissioning of power distribution & rural electrification projects.

**Information about reportable segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's chairman. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

**(A) Primary segment reporting (by business segment)**

Particulars	Three month period ended 30 June 2018					Year ended 31 March 2018					Year ended 31 March 2017					Year ended 31 March 2016					
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	
<b>Income</b>																					
External sales	15,024.80	1,481.00	519.55		17,025.35	62,398.86	4,942.53	2,490.72		69,832.11	56,078.84	3,383.83	1,720.19	-	61,182.86	52,633.81	1,981.13	2,824.75	-	57,439.69	
Inter segment revenue	135.90			(135.90)	-	746.82			(746.82)	-	73.87			(73.87)	-	496.51			(496.51)	-	
<b>Total income</b>	<b>15,160.70</b>	<b>1,481.00</b>	<b>519.55</b>	<b>(135.90)</b>	<b>17,025.35</b>	<b>63,145.68</b>	<b>4,942.53</b>	<b>2,490.72</b>	<b>(746.82)</b>	<b>69,832.11</b>	<b>56,152.72</b>	<b>3,383.83</b>	<b>1,720.19</b>	<b>(73.87)</b>	<b>61,182.86</b>	<b>53,130.32</b>	<b>1,981.13</b>	<b>2,824.75</b>	<b>(496.51)</b>	<b>57,439.69</b>	
<b>Segment Results</b>																					
Segment/Operating results	1,438.15	137.70	(0.25)	-	1,575.60	6,440.78	150.12	80.71	-	6,671.61	3,979.35	34.74	219.33	-	4,233.42	3,520.73	160.49	412.65	-	4,093.87	
<b>Un-allocated items:</b>																					
Financial income	-	-	-	-	7.83	-	-	-	-	27.40	-	-	-	-	39.35	-	-	-	-	33.75	
Finance costs	-	-	-	-	371.68	-	-	-	-	936.80	-	-	-	-	659.49	-	-	-	-	1,473.52	
<b>Profit before tax</b>					<b>1,211.75</b>					<b>5,762.21</b>					<b>3,613.28</b>					<b>2,654.10</b>	
Provision for taxation	-	-	-	-	422.99	-	-	-	-	2,055.32	-	-	-	-	1,282.51	-	-	-	-	807.10	
<b>Profit for the year</b>					<b>788.76</b>					<b>3,706.89</b>					<b>2,330.77</b>					<b>1,847.00</b>	
Share of profit/(loss) of an associate and joint venture (Net of tax)	-	1.55	(36.05)	-	(34.50)	-	3.90	(2.84)	-	1.06	-	0.60	(3.89)	-	(3.29)	-	-	-	-	-	
<b>Other Information</b>																					
Segment assets	36,782.21	3,913.34	3,657.51	-	44,353.06	38,474.53	462.31	4,013.82	-	42,950.66	38,857.65	2,828.64	2,571.89	-	44,258.18	32,958.70	2,368.89	2,389.91	-	37,717.50	
Un-allocated assets	-	-	-	-	835.47	-	-	-	-	995.96	-	-	-	-	942.49	-	-	-	-	743.86	
Investment in Joint Venture	-	-	-	-	279.32	-	-	-	-	314.07	-	-	-	-	327.00	-	-	-	-	-	
<b>Total assets</b>					<b>45,467.84</b>					<b>44,260.69</b>					<b>45,527.68</b>					<b>38,461.36</b>	
Segment liabilities	12,994.45	506.40	2,751.72	-	16,252.58	12,908.19	286.99	3,100.33	-	16,295.51	15,129.76	330.10	1,716.20	-	17,176.05	11,010.09	1,601.49	137.24	-	12,748.83	
Un-allocated liabilities & provisions	-	-	-	-	4,930.92	-	-	-	-	4,432.90	-	-	-	-	8,385.80	-	-	-	-	7,856.68	
<b>Total liabilities</b>					<b>21,183.50</b>					<b>20,728.41</b>					<b>25,561.85</b>					<b>20,605.51</b>	
Depreciation & Amortisation expenses	329.82	18.70	3.03	-	351.55	1,244.57	74.71	10.24	-	1,329.52	1,239.89	34.40	4.54	-	1,278.83	1,090.75	0.02	20.39	-	1,111.16	
Total cost incurred during the year to acquire segment assets	528.40	237.50	31.48	-	797.38	1,500.64	202.40	39.56	-	1,742.60	2,506.60	166.00	156.83	-	2,829.43	1,750.80	0.73	538.42	-	2,289.95	

**(B) Secondary segment information**

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India)

Particulars	Three month period ended 30 June 2018			Year ended 31 March 2018			Year ended 31 March 2017			Year ended 31 March 2016		
	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue	16,578.77	446.58	17,025.35	66,241.33	3,590.78	69,832.11	57,692.56	3,490.30	61,182.86	54,367.29	3,072.40	57,439.69
Segment assets	45,007.89	459.95	45,467.84	43,570.97	689.72	44,260.69	44,948.88	578.80	45,527.68	37,826.13	635.23	38,461.36
Capital expenditure incurred	797.38	-	797.38	1,742.60	-	1,742.60	2,829.43	-	2,829.43	2,289.95	-	2,289.95

Annexure XLVI I

Restated Ind AS Consolidated Summary Statement of Fair values measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value				Fair value			
	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Financial assets at fair value through profit or loss account (FVTPL)</b>								
Units of mutual funds	1.20	1.40	1.14	0.87	1.20	1.40	1.14	0.87
<b>Financial assets at amortised cost</b>								
Trade receivables	958.75	880.00	483.18	351.92	958.75	880.00	483.18	351.92
Security deposits and earnest money	58.69	58.32	41.08	32.09	58.69	58.32	41.08	32.09
<b>Derivatives not designated as hedges</b>								
Interest rate and cross currency swap	15.43	3.30	-	-	15.43	3.30	-	-
Foreign exchange forward contracts	6.80	-	-	14.27	6.80	-	-	14.27
<b>Total</b>	<b>1,040.87</b>	<b>943.02</b>	<b>525.40</b>	<b>399.15</b>	<b>1,040.87</b>	<b>943.02</b>	<b>525.40</b>	<b>399.15</b>
<b>Financial liabilities</b>								
Borrowings - ECB from HSBC	914.34	1,084.10	1,296.71	663.39	914.34	1,084.10	1,296.71	663.39
Borrowings - Term loan from Citi bank	1,101.68	1,137.30	572.86	345.25	1,101.68	1,137.30	572.86	345.25
Indian rupee loan from Karur Vysya Bank	-	-	97.21	-	-	-	97.21	-
Indian rupee loan from HDFC Bank	105.50	94.19	-	-	105.50	94.19	-	-
Embedded derivative	306.99	278.87	214.60	34.92	306.99	278.87	214.60	34.92
<b>Derivatives not designated as hedges</b>								
Foreign exchange forward contracts	-	11.50	77.27	23.82	-	11.50	77.27	23.82
Interest rate swap	-	-	5.04	-	-	-	5.04	-
Fair value of written put options	55.00	55.00	-	-	55.00	55.00	-	-
<b>Total</b>	<b>2,483.51</b>	<b>2,660.96</b>	<b>2,263.69</b>	<b>1,067.38</b>	<b>2,483.51</b>	<b>2,660.96</b>	<b>2,263.69</b>	<b>1,067.38</b>

Interest rate swaps, foreign exchange forward contracts and embedded commodity derivative are valued using valuation techniques, which employ the use of market observable inputs (closing rates of foreign currency and commodities).

Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from purchase contracts.

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

Fixed-rate and variable-rate loans are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Company's interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The non-performance risk as at 30 June 2018 was assessed to be insignificant.

The fair values of the mutual funds are based on NAV at the reporting date.

The fair value of interest rate swaps are based on MTM bank rates as on reporting date.

The fair value of put option is determined using Monte Carlo Simulation which assumes a Geometric Brownian Motion for the modelling equity value.

The key assumptions used for fair valuation of Put option are :-

- Cost of Equity – 18.5% - 19.5%
- WACC – 12.5% - 13.00%
- Terminal growth rate – 2.5%

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk. Mark-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.



Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure XLVIII

Restated Ind AS Consolidated Summary Statement of Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2018:

(₹ million)

	Date of valuation	Total	Total		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	30 June 2018	1.20	-	1.20	-
Interest rate swap	30 June 2018	15.43	-	15.43	-
Foreign exchange forward contracts	30 June 2018	6.80	-	6.80	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Fair value of written put options	30 June 2018	55.00	-	-	55.00

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2018:

(₹ Million)

	Date of valuation	Total	Total		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2018	1.40	-	1.40	-
Interest rate swap	31 March 2018	3.30	-	3.30	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Foreign exchange forward contracts	31 March 2018	11.50	-	11.50	-
Fair value of written put options	31 March 2018	55.00	-	-	55.00

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017:

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2017	1.14	-	1.14	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities:</b>					
Foreign exchange forward contracts	31 March 2017	77.27	-	77.27	-
Interest rate swap	31 March 2017	5.04	-	5.04	-

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2016:

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2016	0.87	-	0.87	-
<b>Derivative financial assets:</b>					
Foreign exchange forward contracts	31 March 2016	14.27	-	14.27	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities:</b>					
Foreign exchange forward contracts	31 March 2016	23.82	-	23.82	-

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management' focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a fixed and variable rate loans and borrowings. The Group's approach is to keep its majority of borrowings at fixed rates of interest for long term funding. The Group also enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 30 June 2018, after taking into account the effect of interest rate swaps, approximately 80% of the Group's borrowings are at a fixed rate of interest (31 March 2018: 96%) (31 March 2017: 92%) (31 March 2016: 79%).

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	(₹ million)		
	Exposure to interest rate risk	Increase/decrease in basis points	Effect on profit before tax
<b>30 June 2018</b>	<b>1,300.22</b>		
Increase		+100	(13.00)
Decrease		-100	13.00
<b>31 March 2018</b>	<b>875.21</b>		
Increase		+100	(8.75)
Decrease		-100	8.75
<b>31 March 2017</b>	<b>733.72</b>		
Increase		+100	(7.34)
Decrease		-100	7.34
<b>31 March 2016</b>	<b>1,656.60</b>		
Increase		+100	(16.57)
Decrease		-100	16.57

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure XLIX

Restated Ind AS Consolidated Summary Statement of Financial risk management objectives and policies

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's borrowings in foreign currency.

To some extent the Group manages its foreign currency risk by hedging transactions.

Particulars of unhedged foreign currency exposures as at the reporting date:

Currency	As at 30 June 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	Foreign currency in million	(₹Million)	Foreign currency in million	(₹Million)	Foreign currency in million	(₹Million)	Foreign currency in million	(₹Million)
Euro	(1.97)	(157.26)	(3.02)	(243.60)	(2.45)	(165.91)	(1.95)	(146.22)
USD	(57.85)	(3,696.41)	(68.49)	(4,455.13)	(60.28)	(3,908.72)	(53.19)	(3,528.56)
GBP	0.28	25.05	0.12	11.19	0.40	31.95	1.21	114.92
CHF	-	-	-	-	(0.94)	(60.86)	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP and CHF exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

Impact on profit before tax and equity

(₹ million)

Currency	Three month period ended		Year ended		Year ended		Year ended	
	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	+2%	-2%	+2%	-2%	+2%	-2%	+2%	-2%
Euro	(3.15)	3.15	(4.87)	4.87	(3.96)	3.96	(2.92)	2.92
USD	(73.93)	73.93	(89.10)	89.10	(78.17)	78.17	(70.57)	70.57
GBP	0.50	(0.50)	0.22	(0.22)	0.64	(0.64)	2.30	(2.30)
CHF	-	-	-	-	(1.22)	1.22	-	-

(iii) Commodity price risk

The Company's exposure to price risk of copper and aluminium also arises from trade payables of the Company where the prices are linked to London Metal Exchange (LME). Payment is therefore sensitive to changes in copper and aluminium prices. The trade payables are classified in the balance sheet as fair value through profit or loss. The option to fix prices are at future unfixed LME prices to hedge against potential losses in value of inventory of copper and aluminium held by the Company. With effect from 1 April 2016, the Company applies fair value hedge for the copper and aluminium purchased whose price is to be fixed in future. Therefore, there is no impact of the fluctuation in the price of the copper and aluminium on the Company's profit for the three months ended 30 June 18 to the extent of inventory on hand.

Sensitivity analysis for open contracts for the three months ended 30 June 2018 and year ended 31 March 18, 31 March 17 and 31 March 16 are as follows:

(₹ million)

Exposure of Group in respective commodities at period ended								
	As at 30 June 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million
Copper	988.92	451.36	310.19	142.06	-	-	16,608.83	5,507.23
Aluminium	899.34	151.03	-	-	3,322.00	415.80	8,779.50	900.59

The following table shows the effect of price changes in commodities:

Impact on profit before tax and equity

(₹ million)

	Three month period ended		Year ended		Year ended		Year ended	
	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	+2%	-2%	+2%	-2%	+2%	-2%	+2%	-2%
Copper	9.03	(9.03)	2.84	(2.84)	-	-	110.14	(110.14)
Aluminium	3.02	(3.02)	-	-	8.30	(8.30)	18.01	(18.01)

**(B) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**(i) Trade receivables**

Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Group's historical data of delay in collection of amounts due from customers and default by the customers alongwith management's estimates.

**(C) Liquidity risk**

The Group's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Group closely monitors its liquidity position and maintains adequate source of funding.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ million)

	< 1 year	> equal to 1 year	Total
<b>Three months ended 30 June 2018</b>			
Borrowings	4,826.12	1,329.55	6,155.68
Other financial liabilities	1,285.96	-	1,285.96
Trade and other payables	10,960.40	-	10,960.40
	17,072.48	1,329.55	18,402.04

(₹ million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2018</b>			
Borrowings	5,687.45	1,589.49	7,276.94
Other financial liabilities	1,163.41	-	1,163.41
Trade and other payables	9,220.87	-	9,220.87
	16,071.73	1,589.49	17,661.22

(₹ million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2017</b>			
Borrowings	6,590.32	1,617.65	8,207.97
Other financial liabilities	796.63	-	796.63
Trade and other payables	13,542.70	-	13,542.70
	20,929.65	1,617.65	22,547.30

(₹ million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2016</b>			
Borrowings	6,947.92	1,008.54	7,956.46
Other financial liabilities	310.62	-	310.62
Trade and other payables	10,565.83	-	10,565.83
	17,824.37	1,008.54	18,832.91

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure L

Restated Ind AS Consolidated Summary Statement of Hedging activity and derivatives

**Fair value hedge of copper and aluminium price risk in inventory**

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management' focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

The Group enters into contracts to purchase copper and aluminium wherein the Group has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. From 1 April 2016, the Group designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Group designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold.

To test the hedge effectiveness between embedded derivatives and LME prices of Copper and Aluminium, the Company uses the said prices during a stipulated time period and compares the fair value of embedded derivative against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative is identical to the LME price of Copper and Aluminium. The hedge ineffectiveness can arise from the difference in timing of embedded derivative and LME strike price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in copper and aluminium prices.

Hedging instrument - Changes in fair value of the embedded derivative of copper and aluminium trade payables, as described above.

(₹ million)

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge	Ineffective portion of Hedge
	Assets	Liabilities	Assets	Liabilities					
Hedged item - inventory of Copper and aluminium		(254.98)	-	-	Range within 3 months	1:1	Inventory	(254.98)	(52.01)
Hedging instrument: - Embedded derivative in trade payables of Copper and aluminium	-	-	306.99	-	Range within 3 months	1:1	Trade Payable		

Annexure LI

Restated Ind AS Consolidated Summary Statement of Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 40% and 60%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Borrowings (Refer Annx -XX & XXIVa)	6,155.67	7,276.93	8,207.98	7,956.46
Trade payables ( Refer Annx- XXIVb)	10,960.40	9,220.87	13,542.70	10,565.83
Other payables (Annx -XXIVc)	1,285.96	1,163.41	796.63	310.62
Less: cash and cash equivalents (Annx XIVb)	(122.32)	(82.32)	(234.40)	(316.27)
<b>Net debt</b>	<b>18,279.71</b>	<b>17,578.89</b>	<b>22,312.91</b>	<b>18,516.64</b>
Equity	24,241.62	23,491.79	19,935.43	17,827.88
Total capital	24,241.62	23,491.79	19,935.43	17,827.88
<b>Capital and net debt</b>	<b>42,521.33</b>	<b>41,070.68</b>	<b>42,248.34</b>	<b>36,344.52</b>
Gearing ratio	43%	43%	53%	51%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No significant changes were made in the objectives, policies or processes for managing capital during the three month period ended 30 June 2018 and years ended 31 March 2018, 31 March 2017 and 31 March 2016.

**Restated Ind AS Consolidated Summary Statement of Capital Gearing Ratio**

Particulars	As at 30 June 2018	As at 31 March 2018	As adjusted for issue (Refer note 2 below)
<b>Debt:</b>			
<b>Non-current borrowings</b>			
Non-current portion (A)	1,329.55	1,589.49	
Current maturities (B)	791.97	726.10	
<b>Total Non-current borrowings (C) = (A + B)</b>	<b>2,121.52</b>	<b>2,315.59</b>	
<b>Current borrowings (D)</b>	<b>4,826.12</b>	<b>5,687.45</b>	
<b>Total debt (E) = (C) + (D)</b>	<b>6,947.64</b>	<b>8,003.04</b>	
<b>Shareholders Funds:</b>			
Equity share capital	1,412.06	1,412.06	
Other equity (as restated)	22,829.56	22,079.73	
<b>Total Shareholders funds (F)</b>	<b>24,241.62</b>	<b>23,491.79</b>	
<b>Total Debt (E) / (Equity ratio (E / F)+Total Debt (E))</b>	<b>0.22</b>	<b>0.25</b>	

**Notes:**

1. The above has been computed on the basis of the Restated Ind AS consolidated Summary Statements of Assets and Liabilities of the Company.
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. The above statement should be read with the Notes to the Restated Ind AS consolidated Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS consolidated Financial Statements - Annexure VI.

**Annexure LIII**

(₹ Million)

**Restated Ind AS consolidated Summary Statement of Dividend Paid**

Particulars	Three months ended		For the year ended	
	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Equity shares</b>				
Number of shares (in million)	141.21	141.21	141.21	141.21
Rate of dividend (%)	-	10.0%	10.0%	17.5%
Dividend per share (Interim and final)	-	1	1	1.75
Amount of dividend	-	141.21	141.21	247.11
Dividend distribution tax	-	28.75	28.75	50.30

**Annexure LIV**

(₹ Million)

**Restated Ind AS consolidated Summary Statement of Accounting Ratios**

Particulars	Three months ended		For the year ended	
	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Accounting ratios</b>				
<b>Earnings Per Share (EPS) - Basic and Diluted</b>				
Restated Profit after tax	752.04	3702.47	2324.93	1847.90
Weighted average number of equity shares (in million)	141.21	141.21	141.21	141.21
<b>EPS (in ₹) - Basic and Diluted*</b>	<b>5.33</b>	<b>26.22</b>	<b>16.46</b>	<b>13.09</b>
<b>Return on Net Worth</b>				
Restated Profit for the year	752.04	3,702.47	2,324.93	1,847.90
Net worth at the end of the year	24,241.62	23,491.79	19,935.43	17,827.88
<b>Return on Net Worth (%)#</b>	<b>12.41%</b>	<b>15.76%</b>	<b>11.66%</b>	<b>10.37%</b>
<b>Net Asset Value Per Equity Share</b>				
Net worth at the end of the year	24,241.62	23,491.79	19,935.43	17,827.88
Number of equity shares outstanding at the end of the year (in million)	141.21	141.21	141.21	141.21
<b>Net Asset Value Per Equity Share (in ₹)</b>	<b>171.68</b>	<b>166.37</b>	<b>141.18</b>	<b>126.25</b>

\*Basic EPS and Diluted EPS for the three month period ended June 30, 2018 are not annualised.

# Return on net worth % disclosed in above table is annualised. The return on net worth % for the three month period ended June 30, 2018 is 3.10% (not annualised).

Notes:

- The figures disclosed above are based on the Restated Ind AS consolidated Financial Information
- The above statement should be read with Significant Accounting Policies forming part of the Restated consolidated summary statement Ind AS Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS consolidated Financial Statements in Annexure VI.
- The ratios have been computed as below:

$$\text{a) Basic and diluted Earnings per share (₹)} = \frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year/period}}$$

$$\text{b) Return on net worth (\%)} = \frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year/period}}$$

$$\text{c) Net asset value per share (₹)} = \frac{\text{Restated net worth at the end of the year/period}}{\text{Total number of equity shares outstanding at the end of the year/period}}$$

4. Net worth includes Equity share capital, Securities Premium, Retained earnings and Other reserve:

5. Earnings per share calculations are in accordance with Ind-AS 33 - Earnings per share

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure LV

Restated Ind AS Consolidated Summary Statement of Dissolution of Jaisingh wires FZE

During the year ended 31 March 2017, the Company's subsidiary company Jaisingh wires FZE (JWFZE) has been dissolved and resulted net proceeds of ₹ 60.45 Million is recognised in Statement of profit and loss under other income (Refer Annx - XXIX).

Annexure LVI

Restated Ind AS Consolidated Summary Statement of Investment and loan to subsidiary

As at 30 June 2018, the parent Company has investment of Euro 0.15 million ( ₹ 10.89 Million) and loan of Euro 0.39 million ( ₹ 30.50 Million) in Polycab Italy SRL (PWISRL), a wholly owned subsidiary Company situated in Italy.

PWISRL in its financial statements had appropriated an amount of Euro 0.04 million ( ₹ 2.80 Million) from Share Capital and Euro 0.44 million ( ₹ 35.30 Million) from loan given by the parent Company, to accumulated losses of previous years and Capital Reduction Reserve to comply with the applicable Italian accounting requirements in an earlier year.

The parent Company is in the process of filing a fresh (as directed by Reserve Bank of India) compounding application with Reserve Bank of India for regularisation of said appropriation. Considering the status, no adjustment is made in the financial statements for three month ended 30 June 2018.

Annexure LVII

Restated Ind AS Consolidated Summary Statement for Impact of Ind AS 115

Ind AS 115 " Revenue from Contracts with Customers" is mandatory for reporting periods beginning on or after 1 April 2018 and has replaced existing Ind AS related thereto. The Group has adopted the modified retrospective approach under the standard. Under this approach, no adjustments were required to be made to the retained earning as at 1 April , 2018. Also the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the three month ended 30 June 2018.

Annexure LVIII

Restated Ind AS Consolidated Summary Statement of Others

Figures relating to previous years have been regrouped wherever necessary to make them comparable with the current year figures.  
Figures representing ₹ 0.00 Million is below ₹ 5,000.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

per Sudhir Soni  
Partner  
Membership No. 41870

Place: Mumbai  
Date: October 24, 2018

For and on behalf of the Board of Directors of

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

Place: Mumbai  
Date: October 24, 2018

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S S Narayana  
Company Secretary  
Membership No. F5221



Auditors' Report on the Restated Consolidated Summary Statements of Assets and Liabilities as at March 31, 2015 and 2014, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows for each of the year ended March 31, 2015 and 2014 of Polycab India Limited (Formerly Known as Polycab Wires Limited) (collectively, the "Restated Previous GAAP Consolidated Summary Statements")

To  
The Board of Directors  
Polycab India Limited (formerly known as Polycab Wires Limited),  
E-554, Greater Kailash -II,  
South Delhi,  
New Delhi - 110048  
India

Dear Sirs,

1. We, S R B C & CO LLP, Chartered Accountants ("we" or "us" or "SRBC") have examined the attached Restated Previous GAAP Consolidated Summary Statements of Polycab India Limited (formerly known as Polycab Wires Limited (the "Company") and its subsidiaries (together referred as the "Group") as at and for each of the years ended March 31, 2015 and 2014 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 of equity shares of face value of Rs 10 each ("IPO"). The Restated Previous GAAP Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); 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 Previous GAAP Consolidated Summary Statements

2. The preparation of the Restated Previous GAAP Consolidated Summary Statements, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Previous GAAP Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Previous GAAP Consolidated Summary Statements taking into consideration:
  - a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 6, 2018 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 "Guidance Note"); and
  - c. the requirements of Section 26 of the Act read with 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 management has informed that the Company proposes to make an IPO, which comprises of fresh issue of equity shares, having a face value of Rs 10 each, and an offer for sale by certain selling shareholders of existing equity shares of Rs 10 each at such premium, arrived by the book building process (referred to as the "Offer"), as may be decided by the Company's Board of Directors.

Restated Previous GAAP Consolidated Summary Statements as per audited consolidated financial statements:

5. The Restated Previous GAAP Consolidated Summary Statements have been compiled by the management of the Company from:
- the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2015 and 2014, prepared in accordance with Previous GAAP, which have been approved by the Board of Directors at their meeting held on November 30, 2015;
  - the financial information in relation to the Company's subsidiaries as listed below, which are audited by the other auditors and included in the consolidated financial statements:

Name of the entity	Name of the audit firm	Relationship	Period covered
Tirupati Reels Private Limited	Sanjay Chopra & Company	Subsidiary	As at and for the years ended March 31, 2015
Polycab Electrical Industries Private Limited	Kailash Chand Jain & Co	Subsidiary	As at and for the years ended 2015 and 2014
Polycab Electronics Private Limited	Kailash Chand Jain & Co	Subsidiary	As at and for the years ended March 31, 2015 and 2014
Polycab Wires Industries Private Limited	Kailash Chand Jain & Co	Subsidiary	As at and for the years ended March 31, 2015 and 2014
Datar Nouveau Energietechnik Limited	Kailash Chand Jain & Co	Subsidiary	As at and for the years ended 2015 and 2014
Jaisingh Wires Private Limited	Kailash Chand Jain & Co	Subsidiary	As at and for the years ended 2015 and 2014

- the financial information in relation to the Company's subsidiaries as listed below, which are unaudited and included in the consolidated financial statements:

Name of the entity	Relationship	Period covered
Polycab Wires Italy SRL	Subsidiary	As at and for the years ended March 31, 2015 and 2014
Jaisingh Wires FZE/Ras Al Khaima, UAE	Subsidiary	As at and for the years ended March 31, 2015 and 2014.

6. For the purpose of our examination, we have relied on:

- a) Auditors' Reports issued by us dated November 30, 2015 and on the Consolidated financial statements of the Group as at and for each of the years ended March 31, 2015 and 2014, respectively; and
- b) As indicated in our audit reports referred to above, we did not audit the financial statements of certain subsidiaries as referred in Para 5(b) above, whose financial statements reflect total assets, total revenues and net cash inflows / (outflows) for the relevant year as tabulated below and included in the Restated Previous GAAP Consolidated Summary Statements:

(Rs in million)

As at and for the year ended	Total Assets of subsidiaries	Total revenues of subsidiaries	Total Net Cash Inflows / (Outflows) of subsidiaries
March 31, 2015	3,080.71	4453.31	7.89
March 31, 2014	2,642.94	1776.76	(811.31)

These other auditors, as mentioned in paragraph 5(b) of the subsidiaries, have confirmed that the Restated Previous GAAP financial information of such subsidiaries:

- i) do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the year ended March 31, 2015 are materially consistent with the policies adopted for the year ended March 31, 2014 as applicable to such subsidiaries. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;
  - ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate; and
  - iii) as per the requirements of Indian GAAP do not contain any extra-ordinary items that need to be disclosed separately in the Restated Previous GAAP Consolidated Summary Statements and do not contain any qualification requiring adjustments.
- c) As indicated in our audit reports referred to above, the financial information in respect of certain subsidiaries has been included on the basis of unaudited financial statements as referred to in Para 5 (c) above, whose financial statements reflect total assets, total revenues and net cash inflows / (outflows) for the relevant year as tabulated below and included in the Restated Previous GAAP Consolidated Summary Statements:

(Rs in million)			
As at and for the year ended	Total Assets of subsidiaries	Total revenues of subsidiaries	Total Net Cash Inflows / (Outflows) of subsidiaries
March 31, 2015	36.88	100.03	129.03
March 31, 2014	468.09	12.95	(355.58)

These financial statements and other financial information are solely based on the management certified accounts as listed in Para 5(c) above. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Group contained in Restated Previous GAAP Consolidated Summary Statements, which as stated in the Annexure IV 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 Restated Adjustments to Audited Previous GAAP Financial Statements, read with paragraph 7(d) below:

- a) The Restated Previous GAAP Consolidated Summary Statement of Assets and Liabilities of the Group as at March 31, 2015 and 2014 examined by us, as set out in Annexure I to this report;
- b) The Restated Previous GAAP Consolidated Summary Statement of Profit and Loss of the Group for each of the years ended March 31, 2015 and 2014 examined by us, as set out in Annexure II to this report;
- c) The Restated Previous GAAP Consolidated Summary Statement of Cash Flows of the Group for each of the years ended March 31, 2015 and 2014 examined by us, as set out in Annexure III to this report; and
- d) Based on the above and according to the information and explanations given to us, we further report that the Restated Previous GAAP Consolidated Summary Statements of the Group, as attached to this report and as mentioned in paragraphs 7(a) to 7(c) above, read with basis of preparation and respective significant accounting policies given in Annexure IV as described in paragraph 1 have been prepared in accordance with the Act and the SEBI Regulations and these Restated Previous GAAP Consolidated Summary Statements:
  - i) do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the year ended March 31, 2015 are materially consistent with the policies adopted as at and for the year ended March 31, 2014. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;
  - ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
  - iii) as per requirements of Indian GAAP, do not contain any extra-ordinary items that need to be disclosed separately in the Restated Previous GAAP Consolidated Summary Statements;

- iv) There are no qualifications in the auditors' reports on the audited consolidated financial statements of the Company as at and for each of the years ended March 31, 2015 and 2014, which require any adjustments to the Restated Previous GAAP Consolidated Summary Statements; and
- v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order 2003, as applicable, on the Consolidated financial statements for the year ended March 31, 2015 and 2014, which do not require any corrective adjustment in the Restated Previous GAAP Consolidated Summary Statements, are as follows:

A. For the year ended March 31, 2015

Clause (ii) (c)

The Company and the covered entities of the group have maintained proper records of inventory except in case of the Company in respect of inventory of work-in-progress. No material discrepancies were noted on physical verification of inventories except work-in-progress. The closing inventory of work-in-progress is determined and recorded based on physical verification and hence we are unable to comment on the discrepancy, if any.

Clause (iv)

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the covered entities of the group and the nature of its businesses, for the sale of goods and services except for recognition of revenue at the year-end in the correct accounting period in the company. The internal control system for purchase of inventory is adequate except documentation of quotation analysis for Engineering Procurement and Construction (EPC) Business and vendor selection, which needs strengthening in the Company. Except for the foregoing, there is no continuing failure to correct any major weakness in the internal control system of the company and the covered entities of the group in respect of these areas.

Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth-tax, service tax, customs duty, excise duty, value added tax, 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 in respect of Company and certain covered entities.

Clause (vii) (b)

According to the information and explanations given to us, and as reported by other auditors who audited the financial statements of certain covered entities in the group, undisputed dues in respect of provident fund, employees' state insurance, income tax, wealth tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues which were outstanding, at the year-end, for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount Rs in Million	Period to which the amount relates	Due Date	Date of Payment
Employees' state Insurance Act, 1948	Employee's State Insurance	0.04	2014-15	Various dates in FY 14-15	May 5, 2015
Bihar Value Added Tax Act 2005	Value Added Tax	0.32	2014-15	Various dates in FY 14-15	October 15, 2015

Clause (vii) (c)

According to the records of the Company and the covered entities of the Group and as reported by other auditors who audited the financial statements of certain covered entities in the group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount Rs in Million (Net of amount paid under protest)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	6.67	April 2010-Oct 10	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit	16.40	2008-10	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	13.08	2007-8 to 2011-12	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of rebate claim	0.45	2012-13	J.S.(R.A) GOI, New Delhi
Central Sales Tax Act. 1956	CST liability for statutory declarations not collected (C Forms)	115.16 138.30	2007-09 2010-11	Assistant Officer (VAT), Daman
Income Tax Act, 1961	Income Tax	7.07	2011-12	CIT(Appeals), Mumbai
Finance Act, 1994	Denial of service tax credit	4.34	Feb-10-Mar-13	CESTAT, Ahmedabad
The Central Excise Act, 1944	Interest on differential duty	3.70	Jul-2000 to Sep-01	Commissioner (Appeals), Vapi

Central Sales Tax Act, 1956	CST demand including penalty	26.60	2009-10	Assistant Officer (VAT), Daman
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Outstanding disputed dues	14.88	2004-2012	High Court, Mumbai

9. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2018. Accordingly, we express no opinion on the financial position, results of operations, cash flows and changes in equity of the Company as of any date or for any period subsequent to June 30, 2018.

Other Financial Information:

10. At the Company's request, we have also examined the following Restated Previous GAAP consolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for the years ended March 31, 2015 and 2014:

- (i) Restated Previous GAAP Consolidated Summary Statement of Share capital, enclosed as Annexure VI;
- (ii) Restated Previous GAAP Consolidated Summary Statement of Reserves and surplus, enclosed as Annexure VII;
- (iii) Restated Previous GAAP Consolidated Summary Statement of Deferred tax liability (net), enclosed as Annexure VIII;
- (iv) Restated Previous GAAP Consolidated Summary Statement of Provisions, enclosed as Annexure IX;
- (v) Restated Previous GAAP Consolidated Summary Statement of Short-term borrowings, enclosed as Annexure X;
- (vi) Restated Previous GAAP Consolidated Summary Statement of Trade Payables & Other Current Liabilities, enclosed as Annexure XI;
- (vii) Restated Previous GAAP Consolidated Summary Statement of Tangible and Intangible assets, enclosed as Annexure XII;
- (viii) Restated Previous GAAP Consolidated Summary Statement of Non-current investments, enclosed as Annexure XIII;
- (ix) Restated Previous GAAP Consolidated Summary Statement of Loans and advances, enclosed as Annexure XIV;
- (x) Restated Previous GAAP Consolidated Summary Statement of Other assets, enclosed as Annexure XV;
- (xi) Restated Previous GAAP Consolidated Summary Statement of Inventories (valued at lower of cost and net realizable value), enclosed as Annexure XVI;
- (xii) Restated Previous GAAP Consolidated Summary Statement of Trade receivables, enclosed as Annexure XVII;
- (xiii) Restated Previous GAAP Consolidated Summary Statement of Cash and bank balances, enclosed as Annexure XVIII;
- (xiv) Restated Previous GAAP Consolidated Summary Statement of Revenue from operations, enclosed as Annexure XIX;
- (xv) Restated Previous GAAP Consolidated Summary Statement of Other income, enclosed as Annexure XX;
- (xvi) Restated Previous GAAP Consolidated Summary Statement of Cost of raw materials consumed, enclosed as Annexure XXI;

- (xvii) Restated Previous GAAP Consolidated Summary Statement of Purchase of traded goods, enclosed as Annexure XXII;
- (xviii) Restated Previous GAAP Consolidated Summary Statement of changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap, enclosed as Annexure XXIII;
- (xix) Restated Previous GAAP Consolidated Summary Statement of Project bought outs and other costs, enclosed as Annexure XXIV;
- (xx) Restated Previous GAAP Consolidated Summary Statement of Employee benefits expense, enclosed as Annexure XXV;
- (xxi) Restated Previous GAAP Consolidated Summary Statement of Other expenses, enclosed as Annexure XXVI;
- (xxii) Restated Previous GAAP Consolidated Summary Statement of Depreciation and amortization expense, enclosed as Annexure XXVII;
- (xxiii) Restated Previous GAAP Consolidated Summary Statement of Finance costs, enclosed as Annexure XXVIII;
- (xxiv) Restated Previous GAAP Consolidated Summary Statement of Disclosure in terms of revised Accounting Standard 7 on the accounting of Construction Contract, enclosed as Annexure XXIX;
- (xxv) Restated Previous GAAP Consolidated Summary Statement of Earnings per share (EPS), enclosed as Annexure XXX;
- (xxvi) Restated Previous GAAP Consolidated Summary Statement of Employee benefits, enclosed as Annexure XXXI;
- (xxvii) Restated Previous GAAP Consolidated Summary Statement of Leases, enclosed as Annexure XXXII;
- (xxviii) Restated Previous GAAP Consolidated Summary Statement of Capital and other commitments, enclosed as Annexure XXXIII;
- (xxix) Restated Previous GAAP Consolidated Summary Statement of Contingent liabilities (to the extent not provided for) , enclosed as Annexure XXXIV;
- (xxx) Restated Previous GAAP Consolidated Summary Statement of Segment Information, enclosed as Annexure XXXV;
- (xxxi) Restated Previous GAAP Consolidated Summary Statement of Related Party Disclosures, enclosed as Annexure XXXVI;
- (xxxii) Restated Previous GAAP Consolidated Summary Statement of Derivative instruments and unhedged foreign currency exposure, enclosed as Annexure XXXVII;
- (xxxiii) Restated Previous GAAP Consolidated Summary Statement of Capitalisation of Expenditure, enclosed as Annexure XXXVIII;
- (xxxiv) Restated Previous GAAP Consolidated Summary Statement of Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013, enclosed as Annexure XXXIX;
- (xxxv) Restated Previous GAAP Consolidated Summary Statement of Amalgamation, enclosed as Annexure XL
- (xxxvi) Restated previous GAAP consolidated Summary Statement of Dividend Paid, enclosed as Annexure XLI;
- (xxxvii) Restated previous GAAP consolidated Summary Statement of Accounting Ratios, enclosed as Annexure XLII;
- (xxxviii) Restated Previous GAAP consolidated Summary Statement of Disclosure for Micro, Small and Medium Enterprises, enclosed as Annexure XLIII;
- (xxxix) Restated Previous GAAP consolidated Summary Statement of Disclosure for Investment in wholly owned Subsidiary, enclosed as Annexure XLIV;
- (xl) Restated Previous GAAP consolidated Summary Statement of Other note, enclosed as Annexure XLV.



11. According to the information and explanations given to us, in our opinion, the Restated Previous GAAP Consolidated Summary Statements and the abovementioned Restated Previous GAAP financial information contained in Annexures I to XLV accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Annexure V and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note.
12. This report should not be in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. 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, National Stock Exchange of India, BSE Limited and Registrar of Companies, National Capital Territory of Delhi and Haryana 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 Sudhir Soni  
Partner  
Membership No: 41870  
Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure I****Restated Previous GAAP Consolidated Summary Statement of Assets and Liabilities**

	Annexure	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	VI	1,412.06	706.03
Reserves and surplus	VII	14,891.08	14,119.25
		<b>16,303.14</b>	<b>14,825.28</b>
<b>Non-current liabilities</b>			
Deferred tax liability (net)	VIII	219.59	282.67
Long-term provisions	IX	62.83	38.66
		<b>282.42</b>	<b>321.33</b>
<b>Current liabilities</b>			
Short-term borrowing	X	5,455.04	4,577.32
Trade payables	XI A	9,631.59	6,598.77
Other current liabilities	XI B	873.88	984.73
Short-term provisions	IX	593.15	321.52
		<b>16,553.66</b>	<b>12,482.34</b>
	<b>TOTAL</b>	<b>33,139.22</b>	<b>27,628.95</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
	XII		
Tangible assets		8,173.56	7,487.16
Intangible assets		50.90	12.39
Capital work-in-progress		1,793.98	1,157.30
Goodwill on Consolidation		-	1.47
Non-current investments	XIII	0.20	0.20
Trade receivables	XVII	68.27	-
Long-term loans and advances	XIV	534.62	457.25
Other non-current assets	XV	12.58	67.15
		<b>10,634.11</b>	<b>9,182.92</b>
<b>Current assets</b>			
Inventories	XVI	9,039.81	6,022.48
Trade receivables	XVII	10,809.79	9,578.22
Cash and bank balances	XVIII	269.84	499.24
Short-term loans and advances	XIV	2,189.53	2,225.07
Other current assets	XV	196.14	121.02
		<b>22,505.11</b>	<b>18,446.03</b>
	<b>TOTAL</b>	<b>33,139.22</b>	<b>27,628.95</b>

The above statement should be read with the Notes to the Restated Previous GAAP Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Previous GAAP 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 No. 324982E/E300003

**For and on behalf of the Board of Directors of****Polycab India Limited (formerly known as 'Polycab Wires Limited')**

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

per Sudhir Soni  
Partner  
Membership No. 41870

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure II**

**Restated Previous GAAP Consolidated Summary Statement of Profit and Loss**

	Notes	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Income</b>			
Revenue from operations (gross)	XIX	51,127.93	44,078.72
Less: Excise duty		4,053.18	4,218.71
Revenue from operations (net)		47,074.75	39,860.01
Other income	XX	49.84	79.75
<b>Total Revenue (I)</b>		<b>47,124.59</b>	<b>39,939.76</b>
<b>Expenses</b>			
Cost of raw materials consumed	XXI	33,721.25	30,682.49
Purchase of traded goods	XXII	2,166.67	912.45
Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap	XXIII	(1,193.31)	(315.91)
Project bought outs and other costs	XXIV	1,405.94	-
Employee benefits expense	XXV	1,618.87	1,311.61
Other expenses	XXVI	4,938.27	4,277.99
<b>Total Expenses (II)</b>		<b>42,657.69</b>	<b>36,868.63</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)</b>		<b>4,466.90</b>	<b>3,071.13</b>
Depreciation and amortisation expense	XXVII	975.34	708.66
Finance costs	XXVIII	1,084.60	937.95
<b>Profit before tax</b>		<b>2,406.96</b>	<b>1,424.52</b>
<b>Tax expenses</b>			
For the current year			
Current tax		826.93	402.87
Deferred tax charge/(credit)		(63.07)	128.66
<b>Total tax expense</b>		<b>763.86</b>	<b>531.53</b>
<b>Profit for the Year</b>		<b>1,643.10</b>	<b>892.99</b>
<b>Earnings per equity share</b>			
<b>(nominal value of share ₹10)</b> (31 March 2014: ₹10)	XXX		
Basic (₹)		11.64	6.32
Diluted (₹)		11.64	6.32

The above statement should be read with the Notes to the Restated Previous GAAP Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Previous GAAP 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 No. 324982E/E300003

per Sudhir Soni  
Partner  
Membership No. 41870

Place: Mumbai  
Date: October 24, 2018

**For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires  
Limited')**

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure III**

**Restated Previous GAAP Consolidated Summary Statement of Cash Flows**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>2,406.96</b>	1,424.52
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	975.34	708.66
Loss/(profit) on sale of fixed assets	(0.12)	0.06
Bad debts written-off and Provision for doubtful debts (net)	340.20	441.21
Provision for doubtful advances (net)	42.94	8.29
Sundry balances written back	0.53	0.32
Sundry balances written off	7.93	11.69
Fixed assets discarded	7.19	39.06
Amortised premium on Forward Contract	-	41.09
Unrealized foreign exchange (gain)/loss (net)	41.58	(49.54)
Preliminary expenditure written off	0.16	0.16
Amount of foreign currency translation reserve	2.26	(1.11)
Finance cost	1,084.60	937.95
Interest income	(21.47)	(23.44)
<b>Operating profit before working capital changes</b>	<b>4,888.10</b>	3,538.92
Movements in working capital:		
(Increase) / Decrease in trade receivables	(1,567.20)	1,894.77
Decrease in loans and advances and other assets	(59.20)	(1,170.83)
Decrease in inventories	(3,017.55)	196.88
Increase in trade payables, other liabilities and provisions	1,856.66	(1,024.21)
<b>Cash generated from operations</b>	<b>2,100.81</b>	3,435.52
Direct tax paid (net of refunds)	(597.64)	(338.85)
<b>Net cash from operating activities (A)</b>	<b>1,503.17</b>	3,096.68
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work-in-progress and capital advances)	(2,036.31)	(1,051.83)
Proceeds from sale of fixed assets	10.97	2.19
Interest received	13.20	20.18
Loans given to others	-	(70.00)
Loan repaid by others	74.95	15.00
Maturity of bank deposits (having original maturity of more than 3 months)	207.23	(8.15)
<b>Net cash used in investing activities (B)</b>	<b>(1,729.96)</b>	(1,092.61)
<b>Cash flows from financing activities</b>		
Interest and bank charges paid	(1,031.51)	(911.73)
Issue of Shares	0.05	-
Repayment of short-term borrowings	(11,901.61)	(13,347.46)
Proceeds from short-term borrowings	13,147.09	12,179.78
Loan taken from others	12.96	-
Loan repaid to others	(0.18)	(4.49)
Unsecured loans received during the year (Directors and others)	0.02	162.00
Unsecured loans repaid during the year (Directors and others)	84.24	(38.38)
Dividend paid (including tax thereon)	(165.20)	-
<b>Net cash used in financing activities (C)</b>	<b>145.86</b>	(1,960.28)

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
**Restated Previous GAAP Consolidated Summary Statement of Cash Flows**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
<b>Net Increase in cash and cash equivalents (A + B + C)</b>	<b>(80.93)</b>	43.79
Cash and cash equivalents on account of acquisition during the year	-	0.58
Cash and cash equivalents at the beginning of the year	<b>274.85</b>	230.48
	<b>193.92</b>	274.85
Less : Not Considered as Cash & cash equivalent		
<b>Cash and cash equivalents at the end of the year</b>	<b>193.92</b>	274.85
<b>Components of Cash and cash equivalents</b>		
Cash on hand	<b>4.89</b>	15.27
Cheques on hand	<b>3.99</b>	-
<b>Balances with scheduled banks</b>		
On current accounts	<b>184.09</b>	258.61
On deposit accounts	<b>0.95</b>	0.98
	<b>193.92</b>	274.86
<b>Cash and Bank balance as per Annx XVIII</b>	<b>269.84</b>	499.24
<b>Less :</b>		
Deposits with original maturity for more than 12 months	<b>20.18</b>	128.26
Deposits with original maturity for more than 3 months but less than 12 months	<b>55.73</b>	96.12
Margin money deposit	<b>0.01</b>	-
	<b>193.92</b>	274.86
<b>Total cash and cash equivalents (refer Annx XVIII)</b>	<b>193.92</b>	274.86

The above statement should be read with the Notes to the Restated Previous GAAP Consolidated Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Previous GAAP Consolidated Financial Statements appearing in Annexure V.

Note:

1) Figures in brackets indicates outflows.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/E300003

per Sudhir Soni

Partner

Membership No. 41870

Place: Mumbai

Date: October 24, 2018

**For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires  
Limited')**

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

Place: Mumbai

Date: October 24, 2018

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S S Narayana  
Company Secretary  
Membership No. F5221

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

##### **IV.1 Corporate information**

Polycab India Limited ('the Company') is a public limited company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The status of the Company Polycab Wires Private Limited has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on August 29, 2018 and consequently the name of the Company has been changed to Polycab Wires Limited. The name of the Company has been further changed to Polycab India Limited with Certificate of Incorporation pursuant to change of name dated October 13, 2018. The Company is one of the largest manufacturers of L.T. power/control, instrumentation, flexible, auto/battery, submersible, H.T. cables, rubber cables and other communication cables. The Company is also in the business of Engineering, Procurement, Construction (EPC) projects, Electric Wiring Accessories & Electric Appliances. The Company caters to both domestic and international markets. The Consolidated financial statements relate to Polycab India Limited ('the Company') and its subsidiary Companies ('the Group Companies') collectively referred to as 'the Group'.

##### **IV.2 Basis of preparation**

The Restated IGAAP consolidated Financial Statement of Assets and Liabilities of the Company as at March 31, 2015 and March 31, 2014 and the related Restated consolidated Profit & Loss account and Restated consolidated Statement of Cash Flows for year ended March 31, 2015 and March 31, 2014 (hereinafter collectively referred to as "Restated IGAAP Consolidated Financial Information") have been prepared specifically 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 ("IPO") through Offer for sale of its equity shares.

The Restated IGAAP Consolidated Summary Statements of the Group have been prepared using the historical audited general purpose financial statements of the Group as at and for the years ended 31 March 2015 and 31 March 2014 and which were prepared under generally accepted accounting principles in India and originally approved by the Board of Directors of the Company at that relevant time and financial statements of the Group as at and for the years ended 31 March 2015 have been prepared on Proforma Ind AS basis as explained in the prepared in accordance with Guidance Note on reports in company prospectuses issued by ICAI (the "Guidance Note").

The Restated IGAAP Consolidated Summary Statement of Assets and Liabilities of the Group as at 31 March 2015 and 31 March 2014 and the Restated IGAAP Consolidated Statement of Profit and Loss and the Ind AS Restated Consolidated Summary Statement of Cash flows for the years ended 31 March 2015 and 31 March 2014 has been prepared under generally accepted accounting principles in India. The financial information of the Group as at and for the year ended 31 March 2015, is prepared in accordance with requirements of SEBI Circular and the Guidance Note.

The Restated IGAAP Consolidated Summary Statements have been prepared by the Group to comply in all material respects with the requirements of Subclause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

The Restated IGAAP consolidated financial statements of the Company have been prepared and presented in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Restated IGAAP consolidated financial statements to comply with all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. The Restated IGAAP consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

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 Schedule III of the Companies Act, 2013. Based on the nature of products and the time between 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.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure IV

#### Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015

The Restated IGAAP consolidated Summary Statements have been compiled from Audited Standalone Financial Statements of the Company for the year ended March 31, 2015 which includes the comparative financial statements as at and for the year ended March 31, 2014 prepared in accordance with generally accepted accounting principles in India.

For all the periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with generally accepted accounting principles in India and Accounting Standards notified by the Institute of Chartered Accountants of India.

#### IV.3 Change in Accounting Policies

##### Depreciation on Fixed Assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

##### Useful Lives / Depreciation Rates

Schedule II of the Companies Act, 2013 prescribes useful lives of the asset and the depreciation is being provided on the straight line method as per their useful lives prescribed in Schedule II of the Companies Act, 2013. However, Schedule II allows Companies to use higher / lower useful lives and residual values; if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. The management believes the depreciation rates currently used fairly reflects its estimate of the useful lives and residual values of fixed assets.

#### IV.4 Summary of significant accounting policies

##### a. Principles of consolidation

The Consolidated financial statements have been prepared on the following basis:

i) The financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses after eliminating intra-Group balances / transactions and resulting profits in full. Unrealised profit / losses resulting from intra-Group transactions has also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group.

ii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The list of subsidiary companies which are included in the consolidation and the Group's holdings therein are as under:

Name of the Company	Country of Incorporation	Ownership in % either directly or through subsidiaries*	
		2014-15	2013-14
i) Jaisingh Wires Private Limited (JWPL)	India	100	100
ii) Polycab Wires Industries Private Limited (PWIPL)	India	100	100
iii) Polycab Electrical Industries Private Limited (PEIPL)	India	100	100
iv) Polycab Electronics Private Limited (PEPL)	India	100	100
v) Datar Nouveau Energietechnik Limited (DNEL)	India	100	100
vi) Tirupati Reels Private Limited (TRPL)	India	99.2	-
vii) Jaisingh Wires FZE (JWFZE)*	UAE	100	100
viii) Polycab Wires Italy SRL (PWISRL)	Italy	100	100

\* JWFZE is a subsidiary by virtue of 100% holding by JWPL

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

**b. Use of estimates**

The preparation of financial 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 periods.

**c. Tangible fixed assets and capital work-in-progress**

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Consolidated Statement of Profit and Loss for the period during which such expenses are incurred.

Capital work-in-progress comprises of fixed assets that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

**d. Depreciation on tangible fixed assets**

- i) Depreciation on fixed assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.
- ii) Leasehold lands are amortized over the period of lease.

**e. Intangible assets**

Depreciation on fixed assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill arising from acquisitions of subsidiaries are tested annually for impairment and carried at cost less amortisation and impairment losses, if any. Any impairment is recognised immediately in the income statement. Subsequent reversals of impairment losses for goodwill are not recognised. The Group has the policy to amortise goodwill over a period of 10 years from the date of acquisition.

**f. Operating 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 Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

**g. Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. 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.



## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

##### **h. Impairment of tangible 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 Group 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 groups 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. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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 Consolidated Statement of Profit and Loss.

##### **i. Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All the other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

##### **j. Inventories**

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed. Cost of finished goods includes excise duty.

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 at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

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.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

##### **k. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of the goods. The Company collects Central Sales Tax (CST) and Value Added Tax (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from gross revenue is the amount that is included in the gross revenue and not the entire amount of liability arising during the year. Revenue is disclosed net of discounts and returns, as applicable.

Revenue from long - term contracts, where the outcome can be estimated reliably, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. When the current estimate of total costs and revenue is a loss, provision is made for the entire loss on the contract irrespective of the amount of work done. Contract revenue earned in excess of billing is reflected under "Other Current Assets" and billing in excess of contract revenue is reflected under "Other Current Liabilities" in the balance sheet.

##### **Export incentives**

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations.

##### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Consolidated Statement of Profit and Loss.

##### **Dividends**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

##### **l. Foreign currency translation**

##### **Foreign currency transactions and balances**

##### **i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

##### **ii. Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

##### **iii. Exchange differences**

Exchange differences arising on 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, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

##### **iv. Translation of non-integral foreign operations**

All the activities of the foreign subsidiaries are carried out with a significant degree of autonomy from those of the parent. Accordingly, as per the provisions of Accounting Standard-11, "Effect of changes in foreign exchange rates" specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, these operations have been

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

classified as "Non-integral operations" and therefore all assets and liabilities, both monetary and non-monetary, are translated at the closing rate while income and expenses are translated at the average yearly exchange rates, where such rates are approximate the exchange rate on the date of transaction. The resulting exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment.

**v. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Consolidated Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

**m. Retirement and other employee benefits**

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Group recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the funds.

The Group operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the 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 Group 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 advances 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 Consolidated Statement of Profit and Loss and are not deferred. The Group 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.

**n. Income taxes**

Tax expense comprises of current and deferred tax. Current taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdiction.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences 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 Group 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 reporting date, the Group re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually 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 reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually 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.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

##### **o. Segment reporting**

###### **Identification of segments**

The Group's operating businesses are organized and managed separately according to the nature of products and services with each segment representing a strategic business unit that offers different products & serves different markets,

###### **Inter-segment transfers**

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

###### **Allocation of common costs/ Assets & liabilities**

Common allocable costs/ assets & liabilities are allocated to each segment are consistently allocated amongst the segments on appropriate basis.

###### **Unallocated items**

Unallocated items include general corporate income & 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 financial statements of the Group as a whole.

##### **p. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus elements in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

##### **q. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting 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 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the 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.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure IV**

#### **Notes to Restated Previous GAAP Consolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

##### **t. Derivative instruments**

The Group enters into derivative contracts in the nature of commodity hedges with an intention to hedge its existing raw material requirements and firm commitments. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. At year end, contracts are marked-to-market and losses are recognised in the Consolidated Statement of Profit and Loss. Gains arising on the same are not recognised on grounds of prudence.

##### **u. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Group has elected to present Earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Consolidated Statement of Profit and Loss. In its measurement, the Group does not include depreciation and amortization expenses, finance costs and tax expenses but includes interest income.

##### **v. Amalgamation accounting**

The Company treats an amalgamation in the nature of merger if it satisfies all the following criteria:

- i. All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.
- ii. Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.
- iii. The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares.
- iv. The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.
- v. The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

The company accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the company to recognize any non-cash element of the consideration at fair value. The company recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure V**

**Part A: Statement of Restated Adjustments to Audited Previous GAAP Financial statements**

(₹ million)

The summary of results of restatement made in the audited Previous GAAP consolidated financials statements for the respective years and its impact on the profit of the Company is as follows:

Particulars	Notes	For the year ended						Adjustment to opening reserve
		IND AS*	IND AS*	IND AS*	IND AS*	I GAAP	I GAAP	
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	
Net profit as per audited financial statements		770.02	3585.50	2405.62	1879.60	1603.24	993.77	
a. Material items relating to previous years								
<b>(Increase)/Decrease in Income</b>								
Sundry balances written back in respective years	1	(21.61)	(103.50)	4.01	15.13	(58.29)	(74.03)	238.29
Adjustments in respect of government grants relating to earlier periods	2	-	97.95	(103.15)	5.21	-	-	-
Adjustment for insurance claims	3	(2.62)	(18.46)	16.73	(14.99)	11.60	7.74	-
Adjustment for estimated sales returns (net)	4		61.87	7.14	(44.71)	(1.39)	(22.91)	-
Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)	5					81.84		
		(24.23)	37.86	(75.28)	(39.35)	33.76	(89.20)	238.29
<b>(Increase)/Decrease in Expenses</b>								
- Adjustment to other expenses incurred in relation to earlier periods for power and fuel	6	-	57.72	-	(13.25)	(15.05)	(12.68)	(16.74)
- Adjustment to other expenses incurred in relation to earlier periods rates and taxes	7	-	-	-	-	18.15	(9.08)	(9.07)
Revision in useful life	8	-	57.72	-	(13.25)	3.10	(4.86)	(25.81)
		(24.23)	95.58	(75.28)	(52.60)	36.86	(115.82)	212.48
<b>Total adjustments before tax</b>		(24.23)	95.58	(75.28)	(52.60)	36.86	(115.82)	212.48
<b>Restated Profit Before Tax</b>		745.79	3,681.08	2,330.35	1,826.99	1,640.10	877.95	212.48
Total tax adjustment of earlier years	9		26.06	6.77	-	(12.29)	(22.68)	2.14
Tax impact of adjustments	9	8.47	0.81	(9.65)	20.01	15.29	37.72	(72.66)
<b>Total tax adjustments</b>		8.47	26.87	(2.88)	20.01	3.00	15.04	
<b>Restated profit after tax</b>		754.26	3,707.95	2,327.47	1,847.00	1,643.10	892.99	

\* The statement of restated adjustments has been included in both Ind AS and previous GAAP Consolidated summary statement financial for showing the impact of each of the adjustments in all the 5 years. Adjustments pertaining to period covered under IND AS has been made in IND AS summary statements.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure V**

**Part A: Statement of Restated Adjustments to Audited Previous GAAP Financial statements**

The above statement should be read with the notes to the restated consolidated summary statement as appearing in Annexures.

**1 Sundry balances Written Back**

In the audited financial statements for the years ended 31 March 2014 to 31 March 2018 and three month period ended 30 June, 2018, certain liabilities including advances received from customers, created in earlier years have been written back. For the purpose of this statement, the said liabilities which have been considered material have been appropriately adjusted in the respective years in which the same were originally created and accordingly, amount related to prior to 31 March 2014 have been adjusted to the retained earnings as at 01 April 2013.

**2 Adjustments in respect of government grants relating to earlier periods**

Adjustments relating to Government Grant income recognised in the financial statements for the year ended 31 March 2018, in respect of earlier periods has for the purpose of these restated financial statements been recorded in respective years.

**3 Adjustment for insurance claims**

The insurance claims received by the Company have for the purpose of the restated financial statements been adjusted in the respective years in which the actual loss giving rise to such insurance claims were accounted by the Company.

**4 Adjustment for estimated sales returns (net)**

Sales returns accounted by the Company have been adjusted in the restated financial statements in the years in which the original sales were accounted.

**5 Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)**

The Board of Directors of erstwhile Jaisingh Wires Private Limited (JWPL), Polycab Wires Industries Private Limited (PW IPL), Polycab Electrical Industries Private Limited (PEIPL), Polycab Electronics Private Limited (PEPL), Datar Nouveau Energietechnik Limited (DNEL) ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (formerly known as Polycab Wires Private Limited) (the 'Company') with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation. Pending such approvals, no effect of the proposed amalgamation had been given in the financial statements of the Company for year ended 31 March 2015.

Pursuant to sanction of the amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company and accordingly amalgamation was accounted for in the year ended March 31 2016 (Under IGAAP), as per AS 14 and April 1 2015 (Under Ind AS) as per Ind AS 103.

In the restated financial statements for the year ended March 31, 2015, company has accounted for the merger with effect from April 1 2014 i.e. appointed date as per the scheme of amalgamation.

The accounting of merger in the year 31 March 15 does not have any impact on any of the subsequent year at transition to Ind AS, Company had given the impact of merger in the opening balance i.e. 1 April 2015.

**6 Adjustment to other expenses incurred in relation to earlier periods-Power and Fuel**

Impact of settlement of certain uncertain positions in relation to VAT input on fuel expenses has been considered in the respective years to which such expenses originally related to.

**7 Adjustment to other expenses incurred in relation to earlier periods-Rates and Taxes**

Impact of settlement of demand in relation to property tax has been considered in the relevant years for which such demand was raised.

**8 Change in the estimated useful lives of the property, plant and equipments**

In the financial year ended 31 March 2015, pursuant to the Act being effective from 1 April 2014, the Group has revised the depreciation rates on its property, plant and equipments as per the useful life specified in Part C of the Schedule II of the Act. Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Group was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for property, plant and equipments which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. Considering the applicability of Schedule II, the Management of Group has re-estimated useful lives and residual values of all its property, plant and equipments. The impact of depreciation has been recomputed and adjusted in respective years.

**9 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.

Computation of deferred tax has been computed and adjusted to give effect to the reversal of timing differences on adjustments made as detailed above and has been adjusted in the restated profits and losses for the years ended 31 March 2018, 2017, 2016, 2015 and 2014 and the balance brought forward in Profit and Loss Account as at 1 April 2014.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Part B : Reconciliation of equity as per previous GAAP and Ind AS is as under:**

As per previous GAAP as on 31 March 2015	Notes	14,891.08
<b>Impact of IND AS</b>		
Proposed equity dividend and tax on equity dividend	10	84.97
Interest free Security deposit recorded at Amortised cost	11	(0.00)
Inventory- Impact of inventory provisional pricing	12	(135.41)
IND AS ECL Adjustment	13	(61.60)
Investment in mutual funds measured and recorded at fair value	14	0.63
Value of Property, plant and equipments grossed up with the amount of grant received by the entity and remain unamortised on transition date	15	53.60
Deferred tax asset created on IND AS Adjustments	16	49.70
Balance of preliminary expenses transferred to retained earnings	17	(0.74)
<b>As per restated IND AS</b>		<b>14,882.23</b>

**10 Equity dividend and dividend distribution tax**

The liability of ₹ 70.60 millions and ₹ 14.37 millions for the year ended on 31 March 2015 recorded for dividend and dividend distribution tax has been derecognised against retained earnings on 1 April 2015.

**11 Security deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹ 0.30 millions as at 1 April 2015 – ₹ 0.30 millions. The prepaid rent increased by ₹ 0.30 millions as at 1 April 2015 - ₹ 0.30 millions. Total equity decreased by ₹ 0.00 millions as on 1 April 2015.

**12 Hedge Accounting**

For certain commodities, the purchase price is determined on a provisional basis at the date of purchase; adjustments to the purchase price subsequently occurs based on movements in quoted market prices up to the date of final pricing. The period between provisional pricing and final pricing is generally 60 to 90 days. Inventory cost on provisionally priced purchases is recognised based on the estimated fair value of the total consideration receivable. The price adjustment mechanism embedded within provisionally priced purchases arrangements has character of commodity derivative. Accordingly, the fair value of final purchase price adjustment is re-estimated continuously and changes in fair value are recognised in income statement directly as an adjustment to raw material consumption. Impact on unpriced purchase contract as of 1 April 2015 resulting to decrease in retained earnings by ₹ 135.40 millions with a corresponding decrease in value of closing inventory.

**13 Expected Credit Loss**

Under Indian GAAP, the Group has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Group impaired its trade receivable by ₹ 61.60 million on 1 April 2015, impact of the same is directly recognised in retained earnings.

**14 Fair value of Investment in Mutual Funds**

Under Indian GAAP, the Company accounted for investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, investments in mutual mutual funds are carried at fair value with resulting gain of ₹ 0.63 millions on 1 April 2015.

**15 Property, plant and equipment**

The Company import machinery using EPCG licences. Based on the terms of the license, the Company is not required to pay the import duty subject to export of agreed value in future time. Under Ind AS asset related grant is required to be recorded as deferred liabilities while asset should be recorded at gross value. Hence on the date of transition to Ind AS, an increase of ₹ 144.40 million was recognised in property, plant and equipment. Total equity increased by ₹ 53.60 millions and deferred government grant increased by ₹ 90.80 million as on 1 April 2015. This amount has been recognised against deferred government grant and amortised subsequently.

**16 Deferred tax**

Under Ind AS, deferred tax is calculated using balance sheet approach on various transitional adjustments which lead to temporary differences between the carrying amount of an asset or liability and its tax base. On transition date, Deferred tax liability of ₹ 49.70 million is created.

17 Under the previous GAAP, preliminary expenses was amortised over the period of 5 years. Under Ind AS, such expenditure is required to recognised as expense and debit to the profit and loss in the year of spending itself. Consequent to this change, the amount of other non current assets as on 1 April 2015 decreased by ₹ 0.74 million.

**Non-adjusting Events**

**Auditor's Qualifications:**

Audit qualifications included in the Annexure to the auditors' report on the Consolidated Financial Statements for the years ended 31 March 2017, 2016 and 2015 which do not require any corrective adjustment in the financial information, are as follows:

Report on the Internal Financial Controls under clause (i) of sub section 3 of Section 143 of the Companies Act 2013

For the year ended March 31, 2017

- Qualified Opinion

The Company's internal financial control over cut-off procedures for recognition of revenue at the year-end and review of invoices raised for certain category of customers were not operating effectively which could have potentially resulted in under or over accrual of revenue and receivables in the financial statements.

For the year ended March 31, 2016

- Disclaimer of Opinion

During the year, the Company implemented a new ERP system. According to the information and explanation provided to us, since the ERP system was under stabilization, the Company relied on its legacy and manual controls. Since the Company was not able to provide us with sufficient appropriate audit evidence on the system internal financial control over financial reporting based on the essential components as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered of Accountants of India we are unable to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting as at March 31, 2016.



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure VI**

**Restated Previous GAAP Consolidated Summary Statement of Share capital**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Authorized shares</b>		
186.25 million Equity Shares of ₹ 10 each (31 March 2014: 92.00 million Equity Shares of ₹ 10 each)	1,862.50	920.00
<b>Issued, subscribed and fully paid-up shares</b>		
141.21 million Equity Shares of ₹ 10 each (31 March 2014: 70.60 million Equity Shares of ₹ 10 each)	1,412.06	706.03
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,412.06</b>	<b>706.03</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31 March 2015		31 March 2014	
	No. of shares (In Million)	(₹ million)	No. of shares (In Million)	(₹ million)
At the beginning of the period	70.60	706.03	70.60	706.03
Issued during the period - Bonus issue (1:1)	70.60	706.03	-	-
<b>Outstanding at the end of the period</b>	<b>141.21</b>	<b>1,412.06</b>	70.60	706.03

**b. Terms/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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2015, the amount of per share interim dividend recognized and paid to equity shareholders was ₹ 1 (31 March 2014: ₹ Nil).

During the year ended 31 March 2015, the amount of per share final dividend recognized as distribution to equity shareholders was ₹ 0.50 (31 March 2014: ₹ 1).

**c. Details of shareholders holding more than 5% shares in the Company**

	31 March 2015		31 March 2014	
	No. of shares (In Million)	% holding	No. of shares (In Million)	% holding
Equity shares of ₹10/- each fully paid				
Mr. Inder T. Jaisinghani	30.02	21.26	15.01	21.26
Mr. Ramesh T. Jaisinghani	24.00	17.00	12.00	17.00
Mr. Ajay T. Jaisinghani	24.00	17.00	12.00	17.00
Mr. Girdhari T. Jaisinghani	24.00	17.00	12.00	17.00
International Finance Corporation (IFC)	21.18	15.00	10.59	15.00

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.

**d. Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.**

(i) During the year the Company issued 70.60 million Equity Shares of ₹10/- each as Bonus shares in the ratio of 1:1 (31 March 2014: Nil) by capitalization of Securities premium.

(ii) 5.01 million equity shares of ₹10 each fully paid up issued to debenture holder pursuant to conversion of 17 million Compulsory Convertible Debentures of ₹100 each for consideration other than cash during the year ended 31 March 2013.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure VII**

**Restated Previous GAAP Consolidated Summary Statement of Reserves and surplus**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Capital reserves</b>		
Balance as per the last financial statements	652.19	650.22
Addition during the year	-	1.97
Less : Adjustment on account of amalgamation (refer Annexure XL)	<b>(652.19)</b>	
<b>Closing balance</b>	<b>-</b>	<b>652.19</b>
<b>Securities premium account</b>		
Balance as per the last financial statements	3,911.62	3,911.62
Less: amounts utilized towards issue of fully paid bonus shares (1:1) to equity shareholders	<b>(706.03)</b>	-
<b>Closing balance</b>	<b>3,205.59</b>	<b>3,911.62</b>
<b>Foreign Currency Translation Reserve</b>		
Balance as per the last financial statements	<b>(1.10)</b>	0.01
Add : Exchange difference during the year on net investment in non-integral foreign operations	<b>2.26</b>	(1.11)
<b>Closing balance</b>	<b>1.16</b>	<b>(1.10)</b>
<b>General reserves</b>		
Balance as per the last financial statements	615.66	614.69
Add : Transfer from surplus in the Statement of Profit and Loss	-	0.97
<b>Closing balance</b>	<b>615.66</b>	<b>615.66</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	8,940.88	8,159.85
Add : Addition on account of Amalgamation (refer Annexure XL)	<b>36.00</b>	-
Add : Addition on account of Amalgamation (refer Annexure XL)	<b>626.08</b>	-
Add : Addition on account of Amalgamation (refer Annexure XL)	<b>(10.63)</b>	-
Profit for the year	<b>1,643.10</b>	892.99
	<b>11,235.43</b>	<b>9,052.84</b>
<b>Less: Appropriations</b>		
Depreciation on fixed assets as per transitional provision as provided in Schedule II of the Companies Act, 2013 (Net of Tax ₹ 14.60 million )	-	(27.58)
Transfer to General reserves	-	(0.97)
Proposed equity dividend (Amount per share ₹ 0.50 (31 March 2014: ₹ 1)	<b>(70.60)</b>	(70.60)
Tax on proposed equity dividend	<b>(14.37)</b>	(12.81)
Interim equity dividend (Amount per share ₹ 1 (31 March 2014: ₹ Nil)	<b>(70.60)</b>	-
Tax on interim equity dividend	<b>(11.19)</b>	-
<b>Total appropriations</b>	<b>(166.76)</b>	<b>(111.96)</b>
<b>Net surplus in the Statement of Profit and Loss</b>	<b>11,068.67</b>	<b>8,940.88</b>
<b>Total reserves and surplus</b>	<b>14,891.08</b>	<b>14,119.25</b>

**Annexure VIII****Restated Previous GAAP Consolidated Summary Statement of Deferred tax liability (net)**

	31 March 2015	31 March 2014
	(₹ million)	(₹ million)
<b>Particulars</b>		
<b>Deferred tax liability</b>		
On account of difference in rates and method of depreciation of fixed assets	585.35	578.53
Reversal of Brought forward business loss	48.25	
<b>Gross deferred tax liability</b>	<b>633.60</b>	<b>578.53</b>
<b>Deferred tax asset</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	21.79	21.40
Provision for doubtful debts and advances	286.49	219.71
Brought forward business loss	41.36	6.86
Provision for gratuity	37.01	28.94
Provision for leave encashment	25.57	17.88
Others	1.79	1.07
<b>Gross deferred tax asset</b>	<b>414.01</b>	<b>295.86</b>
<b>Net deferred tax liability</b>	<b>219.59</b>	<b>282.67</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure IX**

**Restated Previous GAAP Consolidated Summary Statement of Provisions**

	Long-Term		Short-Term	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Provision for employees benefits</b>				
Provision for gratuity (refer Annexure XXXI)	62.83	38.66	56.06	49.66
Provision for leave encashment	-	-	79.55	55.89
	<b>62.83</b>	<b>38.66</b>	<b>135.61</b>	<b>105.55</b>
<b>Other provisions</b>				
Proposed equity dividend	-	-	70.60	70.60
Provision for tax on proposed equity dividend	-	-	14.37	12.81
Provision for tax (net of advance tax and TDS)	-	-	372.57	132.56
	-	-	457.54	215.97
	<b>62.83</b>	<b>38.66</b>	<b>593.15</b>	<b>321.52</b>

**Annexure X**

**Restated Previous GAAP Consolidated Summary Statement of Short-term borrowings**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Cash Credit from banks (Secured)	754.72	534.50
Buyer's Credit (Foreign Currency Loans) (Secured)	2,021.65	1,564.32
Short-term loan from banks (Secured)	2,511.78	2,050.00
Loans from Private companies in which the Company's director is a director (Unsecured)	-	0.43
Short term loan from banks (Unsecured)	165.59	-
Short-term loan from others (Unsecured)	-	3.23
Loans from Directors (Unsecured)	0.37	260.93
Loans from Relatives of Directors (Unsecured)	0.93	163.91
	<b>5,455.04</b>	<b>4,577.32</b>
<b>The above amount includes</b>		
Secured borrowings	5,288.15	4,148.82
Unsecured borrowings	166.89	428.50
	<b>5,455.04</b>	<b>4,577.32</b>

- Cash credit facility is repayable on demand and carries interest @ 10.50% p.a to 13.75% p.a (31 March 2014 : @ 10.20% p.a to 14.00% p.a)
- Buyer's credit is repayable on maturity and carries interest @ 0.43% p.a to 1.36% p.a (31 March 2014 : @ 0.53% p.a to 1.29% p.a)
- Short-term loans from banks carries interest on Rupee loan @ 9.85% p.a to 10.00% p.a (31 March 2014 : @ 10.15% p.a to 10.40% p.a), and foreign currency short-term loan 31 March 2015 : @ 1.88% p.a (31 March 2014 : @ 3.17% p.a.). The loan is repayable on maturity.
- Secured borrowings from banks are secured against pari-passu first charge by way of hypothecation of current assets and fixed assets of the Group and equitable mortgage of specified fixed assets of the Company such as Daman staff quarters, Daman godown premises, Daman and Halol factory land and building and Mumbai office building.
- Loans from Private companies in which the Company's director is a director were repayable on demand and carried interest @ 12.00% p.a (31 March 2014 : @ 12.00% p.a)
- Loans from others were repayable on demand and carried interest @ 4.00% p.a.(31 March 2014 : @ 4.00% p.a.)
- Loans from directors and their relatives are repayable on demand and carries interest @ 4.00% p.a.(31 March 2014 : @ 4.00% p.a.)

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XI**

**Restated Previous GAAP Consolidated Summary Statement of Trade Payables & Other Current Liabilities**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>A) Trade Payable</b>		
Trade payables (Including acceptances)	9,631.59	6,598.77
<b>Remarks:</b>		
Trade payables include Bills of Exchange (BOE) accepted against supplier's credit amounting to ₹ 5,570.07 million (31 March 2014 ₹ 3,033.53 million). BOE are generally payable within 90 days and related discounting charges are paid by the Company.		
<b>B) Other current liabilities</b>		
Advance from customers	71.54	533.96
Security Deposit	26.57	15.80
Interest accrued but not due on borrowings	35.44	22.25
Interest accrued and due on borrowings	13.28	20.01
Mark to market on commodity contracts	9.03	12.95
Creditors for capital expenditure	321.79	108.92
<b>C) Others</b>		
Excise duty payable on finished goods	194.29	123.32
Other statutory dues	201.28	146.13
Others	0.66	1.39
	<b>873.88</b>	<b>984.73</b>
	<b>10,505.47</b>	<b>7,583.49</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XII**

**Restated Previous GAAP Consolidated Summary Statement of Tangible and Intangible assets**

Particulars	Tangible assets										Intangible assets		(₹ million)
	Land	Leasehold land	Buildings	Plant and equipments	Electrical installations	Furniture fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total	Goodwill on Consolidation	Computer software
<b>Gross carrying value at cost</b>													
At 1 April 2013	764.96	-	2,595.94	4,836.92	304.69	72.72	102.78	509.29	55.46	1.69	9,244.45	6.90	46.64
Additions	48.13	0.93	574.40	658.43	55.33	13.68	20.38	-	12.19	-	1,383.47	0.50	12.84
Addition on account of acquisition during the year	-	-	-	6.40	-	0.51	0.11	-	-	-	7.02	-	-
Disposals	(3.25)	-	(2.19)	(55.09)	(1.07)	-	(50.71)	-	(1.67)	-	(113.98)	(3.21)	-
<b>At 31 March 2014</b>	<b>809.84</b>	<b>0.93</b>	<b>3,168.15</b>	<b>5,446.66</b>	<b>358.95</b>	<b>86.91</b>	<b>72.56</b>	<b>509.29</b>	<b>65.98</b>	<b>1.69</b>	<b>10,520.96</b>	<b>4.19</b>	<b>59.48</b>
Additions/Adjustments	49.03	42.08	513.26	904.44	70.82	23.04	45.22	-	19.66	-	1,667.55	-	56.02
Disposals/adjustments	(0.43)	-	(2.62)	(86.07)	(1.12)	(0.12)	-	-	(11.05)	-	(101.41)	(4.19)	-
<b>At 31 March 2015</b>	<b>858.44</b>	<b>43.01</b>	<b>3,678.79</b>	<b>6,265.03</b>	<b>428.65</b>	<b>109.83</b>	<b>117.78</b>	<b>509.29</b>	<b>74.59</b>	<b>1.69</b>	<b>12,087.10</b>	<b>-0.00</b>	<b>115.50</b>
<b>Depreciation</b>													
At 1 April 2013	-	-	284.84	1,782.60	62.64	25.13	55.21	145.96	23.00	0.70	2,380.08	2.92	26.41
Charge for the year	-	0.35	102.69	523.43	30.84	6.68	6.94	52.66	5.61	0.56	729.76	0.39	20.68
Addition on account of acquisition during the year	-	-	-	0.02	-	0.28	0.03	-	-	-	0.33	-	-
Disposals/adjustments	-	-	(0.07)	(30.92)	(0.04)	-	(44.11)	-	(1.23)	-	(76.37)	(0.59)	-
<b>At 31 March 2014</b>	<b>-</b>	<b>0.35</b>	<b>387.46</b>	<b>2,275.13</b>	<b>93.44</b>	<b>32.09</b>	<b>18.07</b>	<b>198.62</b>	<b>27.38</b>	<b>1.26</b>	<b>3,033.80</b>	<b>2.72</b>	<b>47.09</b>
Charge for the year (note (i))	-	0.77	116.49	733.99	46.16	8.35	26.99	15.73	8.54	0.42	957.44	0.39	17.51
Disposals/Adjustments	-	-	(0.54)	(70.61)	(0.41)	0.02	0.06	-	(6.22)	-	(77.70)	(3.11)	-
<b>At 31 March 2015</b>	<b>-</b>	<b>1.12</b>	<b>503.41</b>	<b>2,938.51</b>	<b>139.19</b>	<b>40.46</b>	<b>45.12</b>	<b>214.35</b>	<b>29.70</b>	<b>1.68</b>	<b>3,913.54</b>	<b>-</b>	<b>64.60</b>
<b>Net Block</b>													
<b>At 31 March 2015</b>	<b>858.44</b>	<b>41.89</b>	<b>3,175.38</b>	<b>3,326.52</b>	<b>289.46</b>	<b>69.37</b>	<b>72.66</b>	<b>294.94</b>	<b>44.89</b>	<b>0.01</b>	<b>8,173.56</b>	<b>-</b>	<b>50.90</b>
At 31 March 2014	809.84	0.58	2,780.69	3,171.52	265.51	54.82	54.49	310.67	38.60	0.43	7,487.16	1.47	12.39
<b>Capital work-in-progress (ii)</b>													
												<b>31 March 2015</b>	<b>31 March 2014</b>
												<b>(₹ million)</b>	<b>(₹ million)</b>
												<b>1,793.98</b>	<b>1,157.30</b>
												<b>1,793.98</b>	<b>1,157.30</b>

**Notes:**

(i) Out of the depreciation for the year, ₹ 42.18 million (Tangible assets ₹ 22.67 million and Intangible assets ₹ 19.51 million) pertains to assets whose useful life has already exhausted as on 1 April, 2014. Accordingly, ₹ 27.58 million (Net of tax ₹ 14.60 million) is charged to Surplus in the Statement of Profit and Loss as per transitional provision provided in Schedule II of the Companies Act, 2013.

(ii) Capital WIP includes Machinery in transit ₹37.92 million (31 Mar 2014 : ₹ Nil)

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XIII****Restated Previous GAAP Consolidated Summary Statement of Non-current investments**

	<b>31 March 2015</b>	31 March 2014
	<b>(₹ million)</b>	(₹ million)
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
10,000 (31 March 2014 : 10,000) Units of PNB Principal Growth Fund of face value ₹10 per unit	<b>0.20</b>	0.20
	<b>0.20</b>	0.20
	<b>0.20</b>	0.20
Aggregate amount of quoted investments (Market value: ₹ 0.83 million) (31 March 2014: ₹ 0.65 million)	<b>0.20</b>	0.20

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XIV**

**Restated Previous GAAP Consolidated Summary Statement of Loans and advances**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Unsecured, considered good unless stated otherwise</b>				
Capital advances	134.20	247.25	-	-
Security deposit	38.96	29.08	33.50	31.62
Loans and advances to related parties	-	-	0.94	0.11
Advances recoverable in cash or kind	-	14.73	661.63	1,274.13
	<b>173.16</b>	<b>291.06</b>	<b>696.07</b>	<b>1,305.86</b>
<b>Unsecured, considered Doubtful</b>				
Capital advances	45.20	13.51	-	-
	<b>45.20</b>	<b>13.51</b>	<b>-</b>	<b>-</b>
Less: Provision for doubtful advances	(45.20)	(13.51)	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>173.16</b>	<b>291.06</b>	<b>696.07</b>	<b>1,305.86</b>
<b>Other loans and advances</b>				
Advance income-tax (net of provision for taxation)	25.08	2.83	-	-
Prepaid expenses	2.12	12.99	37.06	73.74
Loans to employees	-	-	11.72	7.84
Balances with Statutory/Government authorities	334.26	150.37	1,444.68	837.63
	<b>361.46</b>	<b>166.19</b>	<b>1,493.46</b>	<b>919.21</b>
<b>Total</b>	<b>534.62</b>	<b>457.25</b>	<b>2,189.53</b>	<b>2,225.07</b>

**Annexure XV**

**Restated Previous GAAP Consolidated Summary Statement of Other assets**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances (refer Annexure XVIII)	11.77	67.03	-	-
Unamortised premium on forward contract	-	-	-	0.09
Preliminary Expenses	0.81	0.12	-	0.04
	<b>12.58</b>	<b>67.15</b>	<b>-</b>	<b>0.13</b>
<b>Others</b>				
Unbilled Revenue	-	-	59.11	-
Interest accrued on fixed deposits	-	-	5.06	8.89
Asset held for disposal	-	-	56.15	41.20
Others	-	-	75.82	70.80
	<b>-</b>	<b>-</b>	<b>196.14</b>	<b>120.89</b>
<b>Total</b>	<b>12.58</b>	<b>67.15</b>	<b>196.14</b>	<b>121.02</b>



**Annexure XVI**

**Restated Previous GAAP Consolidated Summary Statement of Inventories (valued at lower of cost and net realizable value)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Raw materials (includes goods in transit ₹ 815.61 million (31 March 2014: ₹ 59.81 million))	2,754.28	960.95
Stock in Trade	419.28	124.40
Work-in-progress	1,114.98	2,350.51
Finished goods	4,490.95	2,406.31
Packing materials	53.93	31.10
Scrap materials	104.36	55.04
Stores and spares (includes goods in transit ₹ 15.47 million (31 March 2014: ₹ 2.88 million))	102.03	94.17
<b>Total</b>	<b>9,039.81</b>	<b>6,022.48</b>

**Annexure XVII**

**Restated Previous GAAP Consolidated Summary Statement of Trade receivables**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, considered good	-	-	1,162.80	1,478.93
Unsecured, considered doubtful	-	-	787.45	615.98
	-	-	1,950.25	2,094.91
Provision for doubtful receivables	-	-	(787.45)	(615.98)
	-	-	1,162.80	1,478.93
<b>Other receivables</b>				
Unsecured, considered good	68.27	-	9,646.99	8,099.29
	68.27	-	9,646.99	8,099.29
<b>Total</b>	<b>68.27</b>	<b>-</b>	<b>10,809.79</b>	<b>9,578.22</b>

**Annexure XVIII**

**Restated Previous GAAP Consolidated Summary Statement of Cash and bank balances**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
On current accounts	-	-	184.09	258.61
Deposits with original maturity of less than three months	-	-	0.95	0.98
Cheques on hand	-	-	3.99	-
Cash on hand	-	-	4.89	15.27
	-	-	193.92	274.86
<b>Other bank balances</b>				
Deposits with original maturity for more than 12 months	11.77	67.03	20.18	128.26
Deposits with original maturity for more than 3 months but less than 12 months	-	-	55.73	96.12
Margin money deposit*	-	-	0.01	-
	11.77	67.03	75.92	224.38
Amount disclosed under non-current assets (refer Annexure XV)	(11.77)	(67.03)	-	-
	-	-	269.84	499.24

\* Margin Money deposit given as a security against bill discounting.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XIX**

**Restated Previous GAAP Consolidated Summary Statement of Revenue from operations**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Finished goods	45,689.59	42,065.98
Stock in Trade	2,312.77	829.16
Revenue from Construction Contracts (refer Annexure XXIX)	1,958.21	-
<b>Other operating revenue</b>		
Export incentives	61.74	67.77
Scrap sales	1,105.62	1,115.81
<b>Revenue from operations (gross)</b>	<b>51,127.93</b>	<b>44,078.72</b>
Less: Excise duty#	4,053.18	4,218.71
<b>Revenue from operations (net)</b>	<b>47,074.75</b>	<b>39,860.01</b>

#Excise duty on sales amounting to ₹ 4053.18 million (31 March 2014: ₹4218.71 million) has been reduced from sales in Consolidated Statement of Profit & Loss and decrease/(increase) in excise duty on stock amounting to ₹ 184.72 million (31 March 2014: ₹ 28.78 million) has been considered as expense in Annx XXVI.

**Details of products sold**

**Finished goods sold**

Electric wires and cables	45,585.66	41,923.59
Others	103.93	142.39
	<b>45,689.59</b>	<b>42,065.98</b>

**Traded goods sold**

Electric wiring accessories	118.94	37.50
Electric Appliances	1,110.24	26.06
Metals	931.67	762.43
Others	151.93	3.17
	<b>2,312.78</b>	<b>829.16</b>

**Annexure XX**

**Restated Previous GAAP Consolidated Summary Statement of Other income**

		Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
<b>Recurring other income</b>	<b>Related/Not related to normal business activity</b>		
<b>Interest income on</b>			
Bank deposits	Not Related	12.54	23.44
Others	Not Related	8.93	31.11
<b>Non-Recurring other income</b>			
Sundry balances written back	Related	0.53	0.32
Miscellaneous Income	Not Related	27.84	24.88
		<b>49.84</b>	<b>79.75</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXI**

**Restated Previous GAAP Consolidated Summary Statement of Cost of raw materials consumed**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Inventory at the beginning of the year	960.95	1,465.40
Add: Purchases during the year	<u>35,514.58</u>	<u>30,178.04</u>
	<b>36,475.53</b>	<b>31,643.44</b>
Less: Inventory at the end of the year	<u>2,754.28</u>	<u>960.95</u>
	<b><u>33,721.25</u></b>	<b><u>30,682.49</u></b>

Raw materials consumed includes costs incurred for manufacturing of finished goods which have been internally used for Engineering, Procurement, Construction (EPC) projects business.

**Details of raw material consumed**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Copper	19,368.24	18,555.58
Aluminium	6,562.00	5,007.90
Steel	1,815.11	1,741.95
PVC Compound/HDPE/LDPE/XLPE/Resin	5,519.68	4,881.76
Others	<u>456.22</u>	<u>495.30</u>
	<b><u>33,721.25</u></b>	<b><u>30,682.49</u></b>

**Details of raw material inventory**

	As at 31 March 2015 (₹ million)	As at 31 March 2014 (₹ million)
Copper	805.05	269.49
Aluminium	547.75	105.88
Steel	532.57	58.98
PVC Compound/HDPE/LDPE/XLPE/Resin	696.28	330.05
Others	<u>172.63</u>	<u>196.55</u>
	<b><u>2,754.28</u></b>	<b><u>960.95</u></b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXII****Restated Previous GAAP Consolidated Summary Statement of Purchase of traded goods**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Electric wiring accessories	311.98	44.55
Electric appliance	850.61	112.48
Metals	845.01	731.44
Others	159.07	23.98
	<b>2,166.67</b>	<b>912.45</b>

**Annexure XXIII****Restated Previous GAAP Consolidated Summary Statement of changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
<b>Inventories at the end of the year</b>		
Work-in-progress	1,114.98	2,350.51
Finished goods	4,490.95	2,406.31
Stock in Trade	419.28	124.40
Scrap materials	104.36	55.04
	<b>6,129.57</b>	<b>4,936.26</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	2,350.51	2,176.75
Finished goods	2,406.31	2,355.34
Stock in Trade	124.40	-
Scrap materials	55.04	88.26
	<b>4,936.26</b>	<b>4,620.35</b>
<b>changes in inventories of finished goods, work-in-progress, Stock-in-Trade &amp; scrap</b>	<b>(1,193.31)</b>	<b>(315.91)</b>

**Details of inventory**

	As at 31 March 2015 (₹ million)	As at 31 March 2014 (₹ million)
<b>Work-in-progress</b>		
Electrical Wires and cables	1,114.98	2,350.51
	<b>1,114.98</b>	<b>2,350.51</b>
<b>Finished goods</b>		
Electrical Wires and cables	4,490.95	2,406.31
	<b>4,490.95</b>	<b>2,406.31</b>
<b>Stock-in-trade</b>		
Electric wiring accessories	255.92	47.22
Electric Appliances	163.36	77.18
	<b>419.28</b>	<b>124.40</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXIV**

**Restated Previous GAAP Consolidated Summary Statement of Project bought outs and other costs**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Project bought outs	1,225.17	-
Subcontracting Expenses	180.77	-
	<u>1,405.94</u>	<u>-</u>

**Annexure XXV**

**Restated Previous GAAP Consolidated Summary Statement of Employee benefits expense**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Salaries, wages and bonus	1,456.30	1,127.45
Contribution to provident and other funds (refer Annx XXXI)	124.47	144.71
Staff welfare expenses	38.10	39.45
	<u>1,618.87</u>	<u>1,311.61</u>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXVI**

**Restated Previous GAAP Consolidated Summary Statement of Other expenses**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Consumption of stores and spares	219.14	200.15
Consumption of packing materials	875.97	785.77
Sub-contracting expenses	213.30	184.52
(Increase)/Decrease of excise duty on inventory	184.72	(28.78)
Power and fuel	757.92	680.95
Rent	49.85	28.33
Rates and taxes	58.28	82.65
Insurance	14.42	11.06
Repairs and maintenance		
Plant and machinery	107.17	86.66
Buildings	45.12	30.28
Others	45.44	32.22
Advertising and sales promotion	426.50	163.39
Brokerage and commission	263.15	297.36
Travelling and conveyance	116.58	70.14
Communication cost	19.78	16.61
Legal and professional fees	137.22	118.13
Freight & forwarding expenses	746.89	500.59
Payment to auditor	9.82	8.49
Bad debts written-off and Provision for doubtful debts (net) (refer note below)	340.20	441.21
Provision for doubtful advances (net)	42.94	8.29
Sundry balances written off	7.93	11.69
Fixed assets discarded	7.19	39.06
Premium on forward exchange contract amortised	-	41.09
Exchange differences (net)	72.29	313.00
Miscellaneous expenses #	176.45	155.13
	<b>4,938.27</b>	<b>4,277.99</b>

# Includes ₹0.34 million (31 March 2014 - ₹ Nil) incurred towards corporate social responsibility activities.

**Note :**

The Company has written-off bad debts aggregating to ₹168.73 million (31 March 2014: ₹443.71 million), of which ₹77.02 million (31 March 2014: ₹262.38 million) has been adjusted against Provision for doubtful debts created in earlier years. In addition to the aforesaid, the Company provided ₹248.49 million (31 March 2014: ₹259.88 million) for doubtful debts in the current year.

**Annexure XXVII**

**Restated Previous GAAP Consolidated Summary Statement of Depreciation and amortization expense**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Depreciation of tangible assets	957.44	707.10
Amortisation of intangible assets	17.90	1.56
	<b>975.34</b>	<b>708.66</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXVIII****Restated Previous GAAP Consolidated Summary Statement of Finance costs**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Interest expenses	963.61	834.97
Others	120.99	102.98
	<b>1,084.60</b>	<b>937.95</b>

**Annexure XXIX****Restated Previous GAAP Consolidated Summary Statement of Disclosure in terms of revised Accounting Standard 7 on the accounting of Construction Contract is as under**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
a) Contract Revenue recognised for the year	1,958.21	-
b) Contract that are in progress as on 31 March		-
(i) Contract costs incurred and recognised profits (less recognised losses)	1,958.21	-
(ii) Amount of advances received	-	-
(iii) Amount of retentions	68.27	-
(iv) Amounts due from customers	59.11	-
(v) Amounts due to customers	-	-

**Annexure XXX****Restated Previous GAAP Consolidated Summary Statement of Earnings per share (EPS)**

	Year ended 31 March 2015 (₹ million)	Year ended 31 March 2014 (₹ million)
Profit after tax as per Statement of Profit & Loss for calculation of EPS	1,643.10	892.99
<b>Weighted average number of equity shares in calculating EPS (No. of shares in million)</b>	<b>141.21</b>	<b>141.21</b>
EPS as stated	11.64	12.65
EPS Restated *	11.64	6.32
<b>Earnings per equity shares</b>		
Basic and diluted (restated)	11.64	6.32

\* EPS for 2013-14 has been restated due to increase in outstanding share as a result of bonus shares issued during the year 2014-15.

**Annexure XXXI**

**Restated Previous GAAP Consolidated Summary Statement of Employee benefits**

**a. Defined benefit plan- As per actuarial valuation**

The Group operates one defined plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for gratuity.

**Statement of Profit and Loss**

**Net employee benefits expense recognised in the employee cost:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Current service cost	23.84	20.24
Interest cost on benefit obligation	12.48	8.26
Expected return on plan assets	(5.36)	(5.74)
Net actuarial loss recognized in the year	12.48	49.15
<b>Net benefit expense</b>	<b>43.44</b>	<b>71.91</b>
Actual return on plan assets	7.09	6.06

**Balance Sheet**

**Benefit liability**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Present value of defined benefit obligation	(210.82)	(170.03)
Fair value of plan assets	91.93	81.71
<b>Plan liability</b>	<b>(118.89)</b>	<b>(88.32)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Opening defined benefit obligation	170.03	103.30
Current service cost	23.84	20.24
Interest cost	12.48	8.26
Benefits paid	(9.75)	(11.81)
Actuarial losses on obligation	14.22	50.04
<b>Closing defined benefit obligation</b>	<b>210.82</b>	<b>170.03</b>

**Changes in the fair value of plan assets are as follows:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Opening fair value of plan assets</b>	<b>81.71</b>	<b>65.93</b>
Expected return	5.95	5.74
Contribution by employer	12.28	20.96
Benefits paid	(9.75)	(11.81)
Actuarial gains	1.74	0.89
<b>Closing fair value of plan assets</b>	<b>91.93</b>	<b>81.71</b>

The Company expects to contribute ₹ 56.06 million to gratuity in the next year (31 March 2014: ₹ 49.66 million)

**Current & Non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:**

	31 March 2015	31 March 2014
Current	56.06	49.66
Non-current	62.83	38.66
	<b>118.89</b>	<b>88.32</b>



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31 March 2015	31 March 2014
Investment with insurer	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	31 March 2015	31 March 2014
Discount rate	7.98% - 9.03%	8.00% - 9.29%
Expected rate of return on assets	7.98% - 8.70%	8.70%
Employee turnover	10.00% - 8.00%	8.00%
Salary escalation	12.00%	12.00%

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.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current and previous years are as follows:

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
	(₹ million)	(₹ million)	(₹ million)	(₹ million)	(₹ million)
<b>Gratuity</b>					
Defined benefit obligation	(210.82)	(170.03)	(103.30)	(66.63)	(37.11)
Plan assets	91.93	81.71	65.93	53.03	22.17
Deficit	(118.89)	(88.32)	(37.37)	(13.60)	(14.94)
Experience adjustments on plan liabilities	4.87	(0.50)	1.99	4.83	1.08
Experience adjustments on plan assets	1.74	0.89	5.24	2.15	0.19

**b. Defined contribution plan**

The Company has recognised expenses towards defined contribution plan as under

	31 March 2015	31 March 2014
	(₹ million)	(₹ million)
Contribution to provident fund	49.96	43.85

**Annexure XXXII**

**Restated Previous GAAP Consolidated Summary Statement of Leases**

**Operating lease: Company as lessee**

The Company has taken industrial premises, residential building, land (space for godowns) under various lease agreements. There are no restrictions placed upon the Company by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	31 March 2015	31 March 2014
	(₹ million)	(₹ million)
Lease payment for the year	32.79	21.79
Within one year	30.60	23.41
After one year but not more than five years	37.30	27.56
More than five years	-	-

**Annexure XXXIII**

**Restated Previous GAAP Consolidated Summary Statement of Capital and other commitments**

	31 March 2015	31 March 2014
	(₹ million)	(₹ million)
Estimated amounts of contracts remaining to be executed on account of capital account and not provided for	1,662.06	1,174.25

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXIV****Restated Previous GAAP Consolidated Summary Statement of Contingent liabilities (to the extent not provided for)**

	31 March 2015	31 March 2014
	(₹ million)	(₹ million)
<b>a) Guarantees</b>		
(i) Guarantees given by the Company's bankers on behalf of Company	1,139.94	2,769.88
(ii) Liability towards bank against channel financing facility	291.06	1,058.70
<b>b) Other matters for which Company is contingently liable</b>		
(i) Taxation matters		
(a) Sales tax/ Value added tax (VAT)		
Disputed liability in respect of sales tax demand	0.11	26.71
Pending C forms	16.29	38.11
(b) Disputed liability in respect of excise duty demand	22.94	29.59
(c) Disputed liability in respect of entry tax demand	-	0.78
(d) Disputed liability in respect of Income tax demand	-	0.33

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXV**

**Restated Previous GAAP Consolidated Summary Statement of Segment Information**

**A. Primary Segment Reporting (by Business Segment)**

The Group is primarily engaged in the business of manufacture and sale of electric wires and cables. The Group has identified business segments as primary segments, namely electric wires and cables, Fast moving electrical goods & others business., which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segment.

-Fast moving electrical goods (FMEG) business comprises business covering electric wiring accessories and electric appliances.

- Other business comprises EPC business which includes design, engineering, supply, execution and commissioning of power distribution & rural electrification projects.

	2014-15					2013-14					(₹ million)
	Cable	FMEG	Others	Eliminations	Total	Cable	FMEG	Others	Eliminations	Total	
<b>Income</b>											
External Sales	43,887.36	1,229.18	1,958.21	-	47,074.75	39,796.45	63.56	-	-	39,860.01	
Inter Segment Revenue	307.71	-	-	(307.71)	-	-	-	-	-	-	
<b>Total Income</b>	<b>44,195.07</b>	<b>1,229.18</b>	<b>1,958.21</b>	<b>(307.71)</b>	<b>47,074.75</b>	<b>39,796.45</b>	<b>63.56</b>	<b>-</b>	<b>-</b>	<b>39,860.01</b>	
											-
<b>SEGMENT RESULTS</b>											
Segment/Operating Results	3,343.48	(76.90)	203.51	-	3,470.09	2,362.02	(54.11)	-	-	2,307.91	
<b>Un-allocated Items:</b>											
Financial Income					21.47						54.55
Finance Costs					1,084.60						937.95
<b>Profit before tax</b>					<b>2,406.96</b>						1,424.52
Provision for Taxation					763.86						531.53
<b>Net Profit</b>					<b>1,643.10</b>						892.99
<b>OTHER INFORMATION</b>											
Segment Assets	31,186.36	1,231.77	925.71	(512.33)	32,831.51	26,746.20	313.32	-	-	27,059.53	
Un-allocated Assets	-	-	-	-	307.71	-	-	-	-	569.42	
<b>Total Assets</b>					<b>33,139.22</b>					<b>27,628.95</b>	
Segment Liabilities	9,555.40	859.79	602.60	(512.33)	10,505.46	8,574.23	(990.72)	-	-	7,583.51	
Un-allocated Liabilities & Provisions	-	-	-	-	6,330.63	-	-	-	-	5,220.16	
<b>Total Liabilities</b>					<b>16,836.09</b>					<b>12,803.67</b>	
Depreciation & Amortisation Expenses	975.11	0.21	0.02	-	975.34	708.81	(0.15)	-	-	708.66	
Total Cost incurred during the year to acquire Segment Assets	2,143.52	69.05	0.49	-	2,213.06	1,920.63	7.32	-	-	1,927.95	

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXV****Restated Previous GAAP Consolidated Summary Statement of Segment Information****B. Secondary Segment Information**

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India.)

	31 March 2015			31 March 2014		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	44,245.10	2,829.65	47,074.75	36,734.48	3,125.53	39,860.01
Segment Assets	32,576.32	562.90	33,139.22	26,012.66	1,616.29	27,628.95
Capital Expenditure incurred	2,213.06	-	2,213.06	1,927.95	-	1,927.95

(₹ million)

**Annexure XXXVI****Restated Previous GAAP Consolidated Summary Statement of Related Party Disclosures****(a) Key Management personnel**

Mr. Inder T. Jaisinghani (ITJ)	Chairman and Managing Director
Mr. R. Ramakrishnan	Vice Chairman, Joint Managing Director & Group CEO *
Mr. Ramesh T. Jaisinghani (RTJ)	Whole time Director
Mr. Ajay T. Jaisinghani (ATJ)	Whole time Director
Mr. Shyam Lal Bajaj	Chief Financial officer and Whole time Director - Finance (w.e.f. 15 December 2016)
Mr. Chandrashekar Ponnuswamy	President & Group CFO
Mr. Subramaniam Sai Narayana	Company Secretary
Ms. Sonali Kale	Company Secretary

\* Mr. R. Ramakrishnan was Joint Managing Director & Group CEO of the Company till 23 May 2018.

**(b) Enterprises owned or significantly influenced by key managerial personnel**

MicroCab Industries & Logistics Private Limited (MILPL)  
Jaisingh Finance Private Limited (JFPL)

**(c) Relatives of Key Management personnel**

Ms. Aarti A. Jaisinghani	Wife of Mr. Ajay T. Jaisinghani
Mr. Bharat A. Jaisinghani	Son of Mr. Ajay T. Jaisinghani
Ms. Deepika R. Jaisinghani	Daughter of Mr. Ramesh Jaisinghani
Mr. Girdhari T. Jaisinghani (GTJ)	Brother of Mr. Inder T. Jaisinghani
Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Ms. Mrinalini R. Jaisinghani	Daughter of Mr. Ramesh Jaisinghani
Mr. Nikhil R. Jaisinghani	Son of Mr. Ramesh T. Jaisinghani
Ms. Raju G. Jaisinghani	Wife of Mr. Girdhari T. Jaisinghani
Ms. Reena R. Jaisinghani	Wife of Mr. Ramesh Jaisinghani
Ms. Shikha I. Jaisinghani	Daughter of Mr. Inder T. Jaisinghani
Ms. Sonal A. Jaisinghani	Daughter of Mr. Ajay T. Jaisinghani
Ajay T. Jaisinghani (HUF)	ATJ is Karta of HUF
Girdhari T. Jaisinghani (HUF)	GTJ is Karta of HUF
Inder T. Jaisinghani (HUF)	ITJ is Karta of HUF
Ramesh T Jaisinghani (HUF)	RTJ is Karta of HUF

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXXVI**

**Restated Previous GAAP Consolidated Summary Statement of Related party disclosures**

**Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

**a. Transactions with Enterprises Significantly influenced**

**(₹ million)**

Particulars	JFPL		MILPL	
	2015	2014	2015	2014
Rent Paid	-	-	<b>2.40</b>	2.40
Loan taken	<b>20.74</b>	12.50	-	-
Interest paid on loan taken	<b>0.14</b>	0.36	-	-
Loan repaid	<b>22.25</b>	13.86	-	-
<b>Balances as at year end</b>				
Loans & advance	<b>0.94</b>	-	-	0.11
Short-term borrowings	-	0.43	-	-

Annexure XXXVI

Restated Previous GAAP Consolidated Summary Statement of Related party disclosures

Related party transactions

b. Transactions with Directors and their relatives

(₹ million)

	Year ended	Loans Taken	Addition on account of amalgamation	Repayment	Interest Paid	Interest accrued	Payable to related parties
<b>Loan From Directors</b>							
Mr. Ajay T. Jaisinghani	31-Mar-15	-	-	188.69	1.52	0.11	0.11
	31-Mar-14	10.00	172.23	18.00	6.46	7.61	188.69
Mr. Inder T. Jaisinghani	31-Mar-15	-	-	11.45	0.10	0.01	0.01
	31-Mar-14	0.29	10.03	13.70	0.36	0.69	11.45
Mr. Ramesh T. Jaisinghani	31-Mar-15	-	-	60.79	0.44	0.24	0.24
	31-Mar-14	12.19	-	2.28	1.32	2.36	60.79
<b>Loan From Relatives of Directors</b>							
Ms. Aarti A. Jaisinghani	31-Mar-15	-	-	36.33	0.53	-	-
	31-Mar-14	-	24.79	0.00	1.31	1.45	36.33
Mr. Bharat A. Jaisinghani	31-Mar-15	-	-	3.30	-*	0.04	0.04
	31-Mar-14	-	0.26	0.11	0.01	0.12	3.30
Ms. Deepika R. Jaisinghani	31-Mar-15	-	-	2.75	-*	-	-
	31-Mar-14	-	-	-	0.10	0.11	2.75
Mr. Girdhari T. Jaisinghani	31-Mar-15	-	-	28.36	0.20	0.19	0.19
	31-Mar-14	2.20	-	1.03	0.49	1.07	28.36
Mr. Kunal I. Jaisinghani	31-Mar-15	-	-	1.70	-*	-	-
	31-Mar-14	-	-	-	0.06	0.07	1.70
Ms. Mrinalini R. Jaisinghani	31-Mar-15	-	-	1.79	-*	-	-
	31-Mar-14	-	-	-	0.06	0.07	1.79
Mr. Nikhil R. Jaisinghani	31-Mar-15	-	-	3.04	-	0.04	0.04
	31-Mar-14	-	-	0.30	-	0.12	3.04
Ms. Raju G. Jaisinghani	31-Mar-15	-	-	2.33	-*	0.01	0.01
	31-Mar-14	0.02	-	0.52	0.07	0.10	2.33
Ms. Reena R. Jaisinghani	31-Mar-15	-	-	77.83	0.08	0.59	0.59
	31-Mar-14	-	-	2.53	0.27	2.83	77.83
Ms. Shikha I. Jaisinghani	31-Mar-15	-	-	-	-	-	-
	31-Mar-14	-	-	0.08	-*	-	-
Ms. Sonal A. Jaisinghani	31-Mar-15	0.06	-	-	-	-	0.06
	31-Mar-14	-	-	0.06	-	0.00	-
Ajay T. Jaisinghani (HUF)	31-Mar-15	0.02	-	0.64	0.01	-	-
	31-Mar-14	-	-	0.01	0.02	0.02	0.62
Inder T. Jaisinghani (HUF)	31-Mar-15	-	-	1.75	0.03	-	-
	31-Mar-14	-	-	0.01	0.06	0.07	1.75
Girdhari T. Jaisinghani (HUF)	31-Mar-15	-	-	2.37	0.03	-	-
	31-Mar-14	-	-	0.01	0.09	0.09	2.37
Ramesh T. Jaisinghani (HUF)	31-Mar-15	-	-	1.74	0.03	-	-
	31-Mar-14	-	-	0.01	0.06	0.07	1.74

\* Amount less than Rs. 50,000/-

Loans taken from related parties carry interest @ 4% p.a. and are repayable on demand.

c. Remuneration paid to the relatives of KMP in their professional capacity

	31-Mar-15	31-Mar-14
Mr. Bharat A. Jaisinghani (Designated Director)	4.83	2.91
Mr. Nikhil R. Jaisinghani (Designated Director)	4.83	2.91
Mr. Girdhari T. Jaisinghani (Designated Director)	4.16	3.01

d. Rent paid

Name of the Director/Relative	31-Mar-15	31-Mar-14
Mr. Inder T. Jaisinghani	0.10	0.10

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXXVI**

**Restated Previous GAAP Consolidated Summary Statement of Related party disclosures**

**Related party transactions**

**d. Remuneration to key managerial personnel**

	31 March 2015 (₹ million)				31 March 2014 (₹ million)			
	Salary	Perquisite	Commission	Total	Salary	Perquisite	Commission	Total
Mr. Inder T. Jaisinghani (Chairman and Managing Director)	19.13	0.24	8.88	28.25	7.51	-	-	7.51
Mr. R. Ramakrishnan (Vice Chairman, Joint MD & Group CEO)	25.01	0.31	-	25.32	25.00	-	-	25.00
Mr. Ramesh T. Jaisinghani (Whole Time Director)	14.57	0.02	-	14.59	7.51	-	-	7.51
Mr. Ajay T. Jaisinghani (Whole Time Director)	14.57	0.14	-	14.71	7.51	-	-	7.51
Mr. Chandrashekar Ponnuswamy (President & Group CFO)	10.60	-	-	10.60	9.16	-	-	9.16
Mr. Subramaniam Sai Narayana (Company Secretary)	1.75	-	-	1.75	1.23	-	-	1.23
Ms Sonali Kale (Company Secretary)	0.61	-	-	0.61	0.46	-	-	0.46
<b>Total</b>	<b>86.24</b>	<b>0.71</b>	<b>8.88</b>	<b>95.83</b>	<b>58.38</b>	<b>-</b>	<b>-</b>	<b>58.38</b>

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

**Remuneration payable to key managerial personnel:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Mr. Inder T. Jaisinghani (Chairman and Managing Director)	10.12	0.45
Mr. Ramesh T. Jaisinghani (Whole Time Director)	2.61	0.45
Mr. Ajay T. Jaisinghani (Whole Time Director)	2.61	0.45
Mr. R. Ramakrishnan (Vice Chairman, Joint MD & Group CEO)	12.84	7.90
Mr. Chandrashekar Ponnuswamy (President & Group CFO)	0.70	1.38
Mr. Subramaniam Sai Narayana (Company Secretary)	0.14	0.12
Ms Sonali Kale (Company Secretary)	-	-
<b>Total</b>	<b>29.02</b>	<b>10.75</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXVII**

**Restated Previous GAAP Consolidated Summary Statement of Derivative instruments and unhedged foreign currency exposure**

**a. Derivatives outstanding at the Balance Sheet Date**

Particulars	Purpose
<b>Forward contract to sell US\$</b>	
US\$ NIL (31 March 2014: US\$ 0.52 million)	Hedge of export receivables
<b>Forward contract to Buy US\$</b>	
US\$ NIL (31 March 2014: US\$ 0.50 million)	Hedge against underlying liability towards foreign currency loans

**b. Particulars of Unhedged Foreign Currency Exposures as at the reporting date**

**(₹ million)**

Particulars	
Import trade payable	Euro 0.13 (31 March 2014: Euro 0.21) [ ₹8.75 (31 March 2014: ₹17.46)] US\$ 2.43 (31 March 2014: US\$ 4.06) [ ₹152.03 (31 March 2014: ₹244.22)] GBP 0.02 (31 March 2014: GBP Nil) [ ₹1.76 (31 March 2014: ₹Nil )]
Export trade receivable	Euro 0.91 (31 March 2014: Euro 4.52) [₹61.50 (31 March 2014: ₹373.63)] GBP 0.71 (31 March 2014: GBP 1.87) [₹65.49 (31 March 2014: ₹186.65)] US\$ 0.63 (31 March 2014: US\$ 3.39) [₹39.11 (31 March 2014: ₹203.90)]
Foreign Currency Loan	Euro 2.37 (31 March 2014: Euro 1.29) [₹159.90 (31 March 2014: ₹105.90)] US\$ 34.71 (31 March 2014: US\$ 23.83) [₹2173.02 (31 March 2014: ₹1428.07)]
Interest payable - Foreign Currency Loan	Euro 0.01 (31 March 2014: Euro 0.01) [₹0.61 (31 March 2014: ₹0.62)] US\$ 0.03 (31 March 2014: US\$ 0.05) [₹1.98 (31 March 2014: ₹3.06)]

**c. Commodity hedging related risk at the Balance Sheet Date**

Particulars	Buy/Sell	Quantity in MT	
		31st March 2015	31st March 2014
Copper	Buy	-	2400
	Sell	900	1700
Aluminium	Buy	-	450
	Sell	300	450

**Annexure XXXVIII**

**Restated Previous GAAP Consolidated Summary Statement of Capitalisation of Expenditure:**

Capital work-in-progress includes Pre-operative expenses pending allocation of ₹ 47.56 million (31 March 2014: ₹ 13.62 million)

During the year, the company has capitalised the following expenses of revenue nature to the cost of capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

	Year ended 31st March 2015 (₹ million)	Year ended 31st March 2014 (₹ million)
Employee benefits expense	12.38	4.64
Other expenses	13.79	3.11
Depreciation and amortisation expense	0.29	-
Finance costs	7.49	0.02
	<b>33.95</b>	<b>7.77</b>



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXIX****Restated Previous GAAP Consolidated Summary Statement of Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013:**

<b>Particulars</b>	<b>Net Assets</b>		<b>Share in profit or loss</b>	
	<b>As % of consolidated net assets</b>	<b>₹ Million</b>	<b>As % of Amount consolidated profit or loss</b>	<b>₹ Million</b>
<b>Parent</b>				
Polycab India Limited	99.83%	16,274.77	95.83%	1,574.60
<b>Subsidiaries</b>				
<b>Foreign</b>				
PWISRL	-0.03%	(4.75)	1.23%	20.24
JWFZE	0.20%	33.11	2.94%	48.26
<b>Total</b>	<b>100%</b>	<b>16,303.13</b>	<b>100%</b>	<b>1,643.10</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XL**

**Restated Previous GAAP Consolidated Summary Statement of Amalgamation**

**A Amalgamation of Polycab Cables Industries Private Limited (PCIPL) with Polycab India Limited (formerly known as Polycab Wires Limited) (the 'Company') :**

Pursuant to the scheme of amalgamation ('the Scheme') of the erstwhile Polycab Cables Industries Private Limited (PCIPL) ('transferor company') with the Company under section 391 to 394 of the Companies Act, 1956, sanctioned by the Hon'ble High Court of Bombay on 24th January, 2014, entire business and all assets and liabilities of the erstwhile, PCIPL, were transferred to and vested in the Company with effect from 1 April 2013, being the 'appointed date'. Accordingly, the Scheme has been given effect to in financial statements of the Company for the year ended 31 March 2014.

The transferor company was engaged in the businesses related to manufacture and sale of electric wires & cables including manufacturing on job work basis and wind power generation.

The amalgamation has been accounted for under 'pooling of interests' method as prescribed by Accounting Standard -14 Accounting for Amalgamation'. Accordingly, the accounting treatment has been given as under :

- i) The assets and liabilities as at 1 April 2013 were incorporated in the financial statements of the transferee company at their book values.
- ii) Debit balance in the Statement of Profit & Loss of transferor company as at 1 April 2013 aggregating to ₹ 163.66 million has been adjusted in "Surplus in Statement of Profit & Loss" of transferee company.
- iii) Deferred tax asset of transferor company as at 1 April 2013 aggregating to ₹ 79.89 million have been taken over and adjusted in Statement of Profit & Loss.
- iv) Accordingly, 1 million equity shares of ₹ 10 each fully paid up of PCIPL, held as long term investment in the books of transferee company stand cancelled.

**B Amalgamation of Jaisingh Wires Private Limited ('JWPL'), Polycab Wires Industries Private Limited ('PW IPL'), Polycab Electrical Industries Private Limited ('PEIPL'), Polycab Electronics Private Limited ('PEPL') and Datar Nouveau Energietechnik Ltd (DNEL) with Polycab India Limited (formerly known as 'Polycab Wires Limited') (the 'Company') :**

The Board of Directors of erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (the 'Company') with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation.

Pursuant to sanction of the proposed amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company. Copies of the said orders have been approved by Registrar of Companies on 31 May 2016, 1 June 2016 and 6 June 2016. Accordingly, the Scheme has been given effect to in the restated consolidated financial statements for year ended 31 March 2015. Consequently, the figures for the year ended 31 March 2015 are strictly not comparable to that of previous year.

The transferor companies have been engaged in the businesses related to manufacturing and trading of Cable and Wires, Switch gear and electrical appliances.

The amalgamation has been accounted for under 'pooling of interests' method as prescribed by AS -14 - Accounting for Amalgamations'. Accordingly, the accounting treatment has been given as under :

- i The assets, liabilities, reserves and credit balance in the profit and loss account of transferor companies as at 01 April 2014 have been incorporated at their book values in the financial statements of the Company.
- ii 5.00 million equity shares of ₹10 each fully paid up of JWPL and investments in the equity shares held by the Company stands cancelled.
- iii 5.00 million equity shares of ₹10 each fully paid up of PWIPL and investments in the equity shares held by the Company stands cancelled.
- iv 1.00 million equity shares of ₹10 each fully paid up of PEIPL and investments in the equity shares held by the Company stands cancelled.
- v 0.10 million equity shares of ₹10 each fully paid up of PEPL and investments in the equity shares held by the Company stands cancelled.
- vi 0.50 million equity shares of ₹10 each fully paid up of DNEL and investments in the equity shares held by the Company stands cancelled.
- vii The difference between investments of the Company in the respective transferror companies and aggregate of share capital of respective transferror companies amounting to ₹10.63 million has been adjusted to Surplus in the Statement of Profit and Loss, in accordance with Pooling of Interest method.
- viii Consequent upon sanction of the scheme, the authorised share capital of the Company stood automatically increased by the authorised share capital of all the erstwhile transferee companies aggregating to ₹ 362.50 million comprising of 36.25 million equity share of ₹10 each.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XLI****Restated previous GAAP consolidated Summary Statement of Dividend Paid**

Particulars	For the year ended	
	31 March 2015	31 March 2014
<b><u>Equity shares</u></b>		
<b><u>Interim equity dividend</u></b>		
Number of shares (In million)	70.60	70.60
Rate of dividend (%)	10.0%	0.0%
Dividend per share	1.00	-
Amount of dividend ( ₹ million)	70.60	-
Dividend distribution tax ( ₹ million)	11.19	-
<b><u>Final equity dividend</u></b>		
Number of shares (In million)	70.60	70.60
Rate of dividend (%)	10.0%	0.0%
Dividend per share	1.00	-
Amount of dividend ( ₹ million)	70.60	-
Dividend distribution tax ( ₹ million)	12.81	-

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XLII**

**(₹ million)**

**Restated previous GAAP consolidated Summary Statement of Accounting Ratios**

Particulars	For the year ended	
	31 March 2015	31 March 2014
<b><u>Accounting ratios</u></b>		
<b><u>Earnings Per Share (EPS) - Basic</u></b>		
Restated Profit after tax	<b>1643.10</b>	892.99
Weighted average number of equity shares (In million)	<b>141.21</b>	70.60
<b>EPS (in ₹) - Basic *</b>	<b>11.64</b>	12.65
<b><u>Earnings Per Share (EPS) - Diluted</u></b>		
Restated Profit after tax	<b>1643.10</b>	892.99
Weighted average number of equity shares (In million)	<b>141.21</b>	70.60
<b>EPS (in ₹) - Diluted *</b>	<b>11.64</b>	12.65
* Previous year EPS has been restated due to increase in outstanding share as a result of bonus shares issued during the year.		
EPS as stated (Basic and Diluted)	<b>11.64</b>	12.65
EPS Restated (Basic and Diluted)	<b>11.64</b>	6.32
<b><u>Return on Net Worth</u></b>		
Restated Profit for the year	<b>1643.10</b>	892.99
Net worth at the end of the year	<b>16303.14</b>	14825.28
<b>Return on Net Worth (%)</b>	<b>10.08%</b>	6.02%
<b><u>Net Asset Value Per Equity Share</u></b>		
Net worth at the end of the year	<b>16303.14</b>	14825.28
Number of equity shares outstanding at the end of the year (In million)	<b>141.21</b>	70.60
<b>Net Asset Value Per Equity Share (in ₹)</b>	<b>115.46</b>	209.98

Notes:

- The figures disclosed above are based on the Restated IGAAP consolidated Financial Information.
- The above statement should be read with the Notes to the Restated IGAAP consolidated Summary Statements - Accounting Policies - Annexure IV and Statement of Restatement Adjustments to Audited IGAAP consolidated Financial Statements - Annexure V.
- The ratios have been computed as below:

$$\text{a) Basic and diluted Earnings per share (₹) = } \frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{b) Return on net worth (%) = } \frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year}}$$

$$\text{c) Net asset value per share (₹) = } \frac{\text{Restated net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year}}$$

- Net worth includes Equity share capital, Securities Premium, Retained earnings and Other reserves
- Earnings per share calculations are in accordance with AS 20 - Earnings per share.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XLIII**

**Restated Previous GAAP Consolidated Summary Statement of Disclosure for Micro, Small and Medium Enterprises**

There are no Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act, 2006, to whom the Group owes dues. This information has been determined to the extent such parties has been identified on the basis of information available with the Group.

**Annexure XLIV**

**Restated Previous GAAP Consolidated Summary Statement of Disclosure for Investment in wholly owned Subsidiary**

As at 31 March 2015, the Company has investment of ₹10.89 million in Polycab Wires Italy SRL (PWISRL), a wholly owned subsidiary company, situated in Italy, The Company has also given loan to PWISRL of ₹ 24.93 million. During the year ended 31 March 2015, PWISRL has appropriated an amount of Euro 0.04 million (₹ 2.81 million) to 'accumulated losses of previous years' and 'Capital Reduction Reserve' to comply with the applicable Italian accounting requirements. Subsequent to the year end, the Company applied to Reserve Bank of India for regularisation of said appropriation.

**Annexure XLV**

**Restated Previous GAAP Consolidated Summary Statement of Other Note**

These consolidated financial statements have been prepared based on standalone financial statements adopted by the Board of Directors and approved in the Annual General Meeting of the respective companies as applicable.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/E300003

per Sudhir Soni

Partner

Membership No. 41870

Place: Mumbai

Date: October 24, 2018

**For and on behalf of the Board of Directors of**

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

Inder T. Jaisinghani

Chairman & Managing Director

DIN : 00309108

S. L. Bajaj

Whole Time Director & CFO

DIN : 02734730

Place: Mumbai

Date: October 24, 2018

Ajay T. Jaisinghani

Whole Time Director

DIN : 00276588

S S Narayana

Company Secretary

Membership No. F5221

**Auditors' Report on the Restated Unconsolidated Summary Statement of Assets and Liabilities as at June 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016, Restated Unconsolidated Summary Statement of Profit and Loss, Restated Unconsolidated Summary Statement of Cash Flows and Restated Unconsolidated Summary Statement of Changes in Equity for the three months period ended June 30, 2018 and for each of the years ended March 31, 2018, March 31, 2017 and March 31, 2016 of Polycab India Limited (Formerly known as Polycab Wires Limited) (collectively, the "Restated Ind AS Unconsolidated Summary Statements")**

To  
The Board of Directors  
Polycab India Limited (formerly known as Polycab Wires Limited),  
E-554, Greater Kailash –II,  
South Delhi,  
New Delhi – 110048  
India

Dear Sirs,

1. We, S R B C & CO LLP, Chartered Accountants, ("we" or "us" or "SRBC") have examined the attached Restated Ind AS Unconsolidated Summary Statements of Polycab India Limited (formerly known as Polycab Wires Limited) (the "Company") as at and for the three months ended June 30, 2018 and as at and for each of the three years ended March 31, 2018, 2017 and 2016, 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 of equity shares of face value of Rs 10 each ("IPO"). The Restated Ind AS Unconsolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); 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 Ind AS Unconsolidated Summary Statements**

2. The preparation of the Restated Ind AS Unconsolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), 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 Ind AS Unconsolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the ICDR Regulations.

**Auditors' Responsibilities**

3. We have examined such Restated Ind AS Unconsolidated Summary Statements taking into consideration:
  - a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 6, 2018, 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 "Guidance Note"); and

- c. the requirements of Section 26 of the Act 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 management has informed that the Company proposes to make an IPO, which comprise of fresh issue of equity shares, having a face value of Rs 10 each, and an offer for sale by certain shareholders of existing equity shares of Rs 10 each at such premium, arrived by the book building process (referred to as the "Offer"), as may be decided by the Company's Board of Directors.

**Restated Ind AS Unconsolidated Summary Statements as per audited Unconsolidated financial statements:**

5. The Restated Ind AS Unconsolidated Summary Statements have been compiled by the management of the Company from:
  - a) the audited unconsolidated financial statements of the Company as at and for the three months ended June 30, 2018, prepared in accordance with Ind AS which have been approved by the Board of Directors at their meeting held on October 24, 2018;
  - b) the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with Ind AS which have been approved by the Board of Directors at their meeting held on July 3, 2018;
  - c) the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with Ind AS which also included comparative financial information for the year ended March 2016 and opening balance sheet as at April 1, 2015 prepared by the Company using recognition and measurement principles of Ind-AS, such financial statements having been approved by the Board of Directors at their meeting held on September 25, 2017; and
  - d) the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2016 prepared in accordance with accounting principles generally accepted in India ("Previous GAAP") at the relevant time which have been approved by the Board of Directors at their meetings held on December 15, 2016.
6. For the purpose of our examination, we have relied on:
  - a) Auditors' Report issued by us dated October 24, 2018, July 3, 2018 and September 25, 2017 on the Unconsolidated Ind AS financial statements of the Company as at and for the three months ended June 30, 2018 and for each of the years ended March 31, 2018 and March 31, 2017 respectively as referred in Para 5(a), Para 5(b) and Para 5(c) above; and
  - b) Auditors' Report issued by us dated December 15, 2016 on the unconsolidated financial statements of the Company as at and for the year ended March 31, 2016 referred in Para 5(d) above.
7. Based on our examination, in accordance with the requirements of sub-section (1) of Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Ind AS Unconsolidated Summary Statements, which as stated in the Annexure V to this report, have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI – Statement of Restated Adjustments to Audited Ind AS Unconsolidated Financial Statements, read with paragraph 7(e) below:
  - a) The Restated Ind AS Unconsolidated Summary Statement of Assets and Liabilities of the Company as at June 30, 2018, March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure I to this report.



- b) The Restated Ind AS Unconsolidated Summary Statement of Profit and Loss of the Company for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure II to this report.
- c) The Restated Ind AS Unconsolidated Summary Statement of Cash Flows of the Company for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure III to this report.
- d) The Restated Ind AS Unconsolidated Summary Statement of Changes in Equity of the Company for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 under Ind AS examined by us, as set out in Annexure IV to this report.
- e) Based on the above and according to the information and explanations given to us, we further report that the Restated Ind AS Unconsolidated Summary Statements of the Company, as attached to this report and as mentioned in paragraphs 7(a) to 7(d) above, read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 1 have been prepared in accordance with the Act and the ICDR Regulations and these Restated Ind AS Unconsolidated Summary Statements:
  - i) do not require any material adjustments for the changes in accounting policies, as the application of changes in accounting policies retrospectively do not have material impact as at and for the three months ended June 30, 2018 and for the year ended March 31, 2018, 2017 and 2016 to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
  - ii) have been made after incorporating adjustments for the material amounts in the respective financial year to which they relate;
  - iii) as per requirements of Ind AS, do not contain any extra-ordinary items that need to be disclosed separately in the Restated Ind AS Unconsolidated Summary Statements;
  - iv) there are no qualifications in the auditors' reports on the audited unconsolidated financial statements of the Company as at June 30, 2018, March 31, 2018, 2017 and 2016 and for the three months ended June 30, 2018 and each of the years ended March 31, 2018, 2017 and 2016 which require any adjustments to the Restated Ind AS Unconsolidated Summary Statements; and
  - v) other audit modifications included in the Annexure to the Auditors report issued on the internal financial controls under clause (i) of Sub section 3 of Section 143 of the Companies Act 2013 are as follows:

A. For the year ended March 31, 2017

Qualified Opinion

The Company's internal financial control over cut-off procedures for recognition of revenue at the year-end and review of invoices raised for certain category of customers were not operating effectively which could have potentially resulted in under or over accrual of revenue and receivables in the financial statements.

B. For the year ended March 31, 2016

Disclaimer of Opinion

During the year, the Company implemented a new ERP system. According to the information and explanation provided to us, since the ERP system was under stabilization, the Company relied on its legacy and manual controls. Since the Company was not able to provide us with sufficient appropriate audit evidence on the system internal financial control over financial reporting based on the essential components as stated in the Guidance Note on Audit of Internal Financial Controls

Over Financial Reporting issued by the Institute of Chartered of Accountants of India we are unable to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting as at March 31, 2016.

vi) other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditors Report) Order 2016 and 2015 as applicable, on the Unconsolidated financial statements for the year ended March 31, 2018 , 2017 and 2016 which do not require any corrective adjustment in the Restated Ind AS Unconsolidated Summary Statements, are as follows:

A. For the year ended March 31, 2018

Clause (i) (c)

According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:-

- a. title deeds of freehold land amounting to Rs. 25.20 million are not in the name of the Company. The Company has initiated the process of transferring these properties in its name;
- b. title deeds of freehold land amounting to Rs. 42.00 million are not available;
- c. title deeds of freehold land amounting to Rs. 10.50 million is in dispute and is pending resolution with the government authority in Gujarat

Clause (vii) (a)

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

Clause (vii) (b)

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, service tax, sales-tax, custom duty, excise duty, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. There is professional tax outstanding as on March 31, 2018 amounting to Rs 44,840 not paid till date on account of pending registration with relevant authorities. The dues outstanding for more than six months in respect of income tax are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs in million )	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax collected on Source	0.42	2017-18	Various dates in FY 17-18	Rs.75,284 paid on 7 April 2018 & Rs. 343,492 paid on 27 April 2018

Income Tax Act, 1961	TDS on Salary	0.01	2017-18	7 July 2017	27 April 2018
----------------------	---------------	------	---------	-------------	---------------

Clause (vii) (c)

According to the information and explanations given to us, dues outstanding of income tax, sales tax, service tax, duty of excise, custom duty and value added tax which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs in million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944 and Service Tax	Duty	80.70	2006-07, 2010-2011, 2012-2016	Asst. Comm/Comm/Comm( Appeals)
		17.00	2007-11	Tribunal
State & Central Sales Tax, 1956	Tax, Interest & Penalty	162.10	2007-08, 2008-09, 2009-10, 2013-14, 2014-15, 2016-17	Asst. Comm/Comm/Comm/ Dy. Comm Appeal/ Jt Comm (Appeal) / Comm Tax Officer/ Asst. Officer
		3.70	2014-15	West Bengal Appellant and Revision Board
		0.70	2000-01, 2014-15	CIT Appeals
		138.20	2010-11	Tribunal
Customs Act, 1962	Duty	0.10	2010-11	Comm of Customs
Commercial Tax	Duty	25.50	2014-15, 2015-16, 2016-17	Comm Tax Inspector, Asst. Comm

B. For the year ended March 31, 2017:

Clause (i) (c)

According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:-

- title deeds of freehold land amounting to Rs. 4.90 million were not in the name of the Company. The Company has initiated the process of transferring these properties in its name;
- title deeds of freehold land amounting to Rs. 70.80 million and of leasehold land amounting to Rs 145.00 million were not readily available;
- title deeds of freehold land amounting to Rs. 9.40 million is in dispute and is pending resolution with the government authority in Gujarat.

Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have not been generally deposited regularly with the appropriate authorities though the delays in deposit have not been serious.

Clause (vii) (b)

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

Name of the Statute	Nature of the Dues	Amount (Rs in Million)	Period to which the amount relates	Due Date	Date of Payment
The Kerala Panchayat Raj(Profession Tax), Rules , 1996	Profession al Tax	0.00	2016-17	Various dates in FY 16-17	Not paid till date
The Assam Professions, Trades, Callings and Employments Taxation Act, 1947	Profession al Tax	0.02	2016-17	Various dates in FY 16-17	Not paid till date
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	0.00	2016-17	01 October 2016	18 July 2017
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.01	2015-16	Various dates in FY 15-16	Not paid till date
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.05	2016-17	Various dates in FY 16-17	Not paid till date

Clause (vii) (c)

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

Name of the statute	Nature of the dues	Amount Rs in Million (Net of amount paid under protest)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7.00	2011-12	Commissioner of Income Tax (Appeals), Mumbai
		19.60	2013-14	
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	70.80	April 2010-Oct 10	Commissioner (Appeals), Daman CESTAT, Ahmedabad
		1.60	Nov 2008 to Jan 2010	
	Denial of Cenvat credit on capital goods	13.10	March 2008 to September 2011	CESTAT, Ahmedabad
	Denial of rebate claim	4.50	2012-13	J.S.(R.A) GOI, New Delhi
	Denial of input credit of business auxiliary services	3.40	May 2011 to August 2011	CESTAT, Mumbai
	Denial for rebate of duty paid on export made to SEZ	5.50	2014-15	Assistant Commissioner Somnath, Daman
The Central Sales Tax Act. 1956	CST liability for statutory declarations not collected (C Forms)	115.20	2007-09	Dy. Commission Appeal, Daman
		138.30	2010-11	Dy. Commission Appeal, Daman
		26.60	2009-10	Assistant Officer (VAT), Daman
The Customs Act, 1962	Dispute in classification of import item	0.10	2010-11	The Commissioner of Customs, Nhava Sheva
Finance Act, 1994	Denial of service tax credit of windmill	4.50	Feb 2010 to Mar 2015	CESTAT, Ahmedabad
Daman & Diu Value Added Tax Act, 2005	Liability for statutory declarations not collected	24.50	2012-13	Assessing Authority, Daman

The West Bengal Value Added Tax Act, 2003	Disputed liability on excess material entered without way bill	2.30	April 2016- March 2017	Commissioner (Appeals), Kolkata
Rajasthan Sales Tax Act, 1944	Disputed liability on excess material entered without way bill	0.30	April 2000 to March 2014	1 <sup>st</sup> Appellate Authority, Jaipur
Delhi Value Added Tax Act, 2004	Liability for statutory declarations not collected	0.10	2012-2013	Assessing Authority, Delhi

C. For the year ended March 31, 2016:

Clause (i) (c)

According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:-

- a. title deeds of freehold land amounting to Rs 15.44 million which were transferred to the Company by virtue of scheme of amalgamation approved by the High Court and these are in process of being registered in the name of the Company
- b. title deeds of freehold land amounting to Rs 29.82 million were not in the name of the Company. The Company has initiated the process of transferring these properties in its name;
- c. title deeds of freehold land amounting to Rs 138.02 million and of leasehold land amounting to Rs. 1.41 million were not readily available;
- d. title deeds of freehold land amounting to Rs 9.38 million is in dispute and is pending resolution with the government authority in Gujarat.

Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, 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.

Clause (vii) (b)

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues outstanding at the year end, for a period of more than six months from the date they became payable. Except the following:

Name of the Statute	Nature of the Dues	Amount (Rs. in Million)	Period to which the amount relates	Due Date	Date of Payment

Income Tax Act, 1961	Tax deducted at source	3.53	2015-16	Various Dates in FY 15-16	Various Dates in FY 16-17
The Gujarat Professions Tax Act, 1976	Profession Tax	0.01	2015-16	May 15, 2015	Not paid till date
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.12	2015-16	Various Dates in FY 15-16	Not paid till date
The Bihar Value Added Tax Act, 2005	Value Added Tax	1.09	2015-16	Various Dates in FY 15-16	November 29, 2016

Clause (vii) (c)

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

Name of the statute	Nature of the dues	Amount Rs in Million ( Net of amount paid under protest)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Denial of Input credit of Business Auxiliary Services	6.67	April 2010 to October 2010	Commissioner ( Appeals), Daman
	Denial of Input credit of Business Auxiliary Services	16.40	November 2008 to January 2010	CESTAT, Ahmedabad
	Denial of cenvat credit on capital goods	13.08	March 2008 to September 2011	CESTAT, Ahmedabad
	Denial of rebate claim	0.45	2012-2013	J.S.(R.A) GOI New Delhi
	Denial of Input Credit of Business Auxiliary Services	3.44	May 2011 to August 2011	CESTAT, Mumbai

Central Sales Tax Act. 1956	CST liability for statutory declarations not collected	115.16	2007-2009	Dy. Commission Appeal
		138.30	2010-2011	Dy. Commission Appeal
		26.60	2009-2010	Assistant Officer (VAT), Daman
Finance Act, 1994	Denial of service tax credit of windmill	4.34	Feb 2010 to Mar 2013	CESTAT, Ahmedabad
Income Tax Act, 1961	Income Tax	7.07	2011-2012	Commissioner Appeals, CIT ( Appeals), Mumbai

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2018. Accordingly, we express no opinion on the financial position, results of operations, cash flows and changes in equity of the Company as of any date or for any period subsequent to June 30, 2018.

**Other Financial Information:**

9. At the Company's request, we have also examined the following restated Ind AS unconsolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the three months ended June 30, 2018 and for each of the years ended March 31, 2018, 2017 and 2016:
- i. Restated Ind AS Unconsolidated Summary Statement of Property, plant and equipment and capital work in progress, enclosed as Annexure VII;
  - ii. Restated Ind AS Unconsolidated Summary Statement of Intangible assets, enclosed as Annexure VIII
  - iii. Restated Ind AS Unconsolidated Summary Statement of Non-Current Financial Assets, enclosed as Annexure IX;
  - iv. Restated Ind AS Unconsolidated Summary Statement of Non-Current Income Tax Assets (Net), enclosed as Annexure X ;
  - v. Restated Ind AS Unconsolidated Summary Statement of Other Non-Current Assets, enclosed as Annexure XI;
  - vi. Restated Ind AS Unconsolidated Summary Statement of Inventories, enclosed as Annexure XII;
  - vii. Restated Ind AS Unconsolidated Summary Statement of Current Financial Assets, enclosed as Annexure XIII;
  - viii. Restated Ind AS Unconsolidated Summary Statement of Current income tax assets (Net), enclosed as Annexure XIV;
  - ix. Restated Ind AS Unconsolidated Summary Statement of Other current assets, enclosed as Annexure XV;
  - x. Restated Ind AS Unconsolidated Summary Statement of Assets classified as held for disposal, enclosed as Annexure XVI;



- xi. Restated Ind AS Unconsolidated Summary Statement of Equity share capital, enclosed as Annexure XVII;
- xii. Restated Ind AS Unconsolidated Summary Statement of Other equity, enclosed as Annexure XVIII;
- xiii. Restated Ind AS Unconsolidated Summary Statement of Non-current financial liabilities, enclosed as Annexure XIX;
- xiv. Restated Ind AS Unconsolidated Summary Statement of Long term provisions, enclosed as Annexure XX;
- xv. Restated Ind AS Unconsolidated Summary Statement of Income taxes, enclosed as Annexure XXI;
- xvi. Restated Ind AS Unconsolidated Summary Statement of Other Non-Current Liabilities, enclosed as Annexure XXII;
- xvii. Restated Ind AS Unconsolidated Summary Statement of Current financial liabilities, enclosed as Annexure XXIII;
- xviii. Restated Ind AS Unconsolidated Summary Statement of Other Current Liabilities, enclosed as Annexure XXIV;
- xix. Restated Ind AS Unconsolidated Summary Statement of Short Term Provisions, enclosed as Annexure XXV ;
- xx. Restated Ind AS Unconsolidated Summary Statement of Current Tax Liabilities (Net), enclosed as Annexure XXVI;
- xxi. Restated Ind AS Unconsolidated Summary Statement of Revenue From Operations, enclosed as Annexure XXVII;
- xxii. Restated Ind AS Unconsolidated Summary Statement of Other income, enclosed Annexure XXVIII;
- xxiii. Restated Ind AS Unconsolidated Summary Statement of Cost of Materials Consumed, enclosed as Annexure XXIX;
- xxiv. Restated Ind AS Unconsolidated Summary Statement of Purchases of Traded Goods, enclosed as Annexure XXX;
- xxv. Restated Ind AS Unconsolidated Summary Statement of (Increase)/Decrease in Inventories of Finished goods, Traded goods and Work-in-progress, enclosed as Annexure XXXI;
- xxvi. Restated Ind AS Unconsolidated Summary Statement of Project bought outs and other cost, enclosed as Annexure XXXII;
- xxvii. Restated Ind AS Unconsolidated Summary Statement of Employee benefits expense, enclosed as Annexure XXXIII;
- xxviii. Restated Ind AS Unconsolidated Summary Statement of Other expenses, enclosed as Annexure XXXIV;
- xxix. Restated Ind AS Unconsolidated Summary Statement of Finance cost, enclosed as Annexure XXXV;
- xxx. Restated Ind AS Unconsolidated Summary Statement of Depreciation and amortization expense, enclosed as Annexure XXXVI;
- xxxi. Restated Ind AS Unconsolidated Summary Statement of Earnings per share (EPS) , enclosed as Annexure XXXVII;
- xxxii. Restated Ind AS Unconsolidated Summary Statement of Commitments and contingencies, enclosed as Annexure XXXVIII;
- xxxiii. Restated Ind AS Unconsolidated Summary Statement of Disclosure in terms of Ind AS 115 on the accounting of construction contract, enclosed as Annexure XXXIX;
- xxxiv. Restated Ind AS Unconsolidated Summary Statement of Details of CSR expenditure, enclosed as Annexure XL;
- xxxv. Restated Ind AS Unconsolidated Summary Statement of Gratuity and other post-employment benefit plans, enclosed as Annexure XLI;
- xxxvi. Restated Ind AS Unconsolidated Summary Statement of Related party disclosures, enclosed as Annexure XLII;
- xxxvii. Restated Ind AS Unconsolidated Summary Statement of List of subsidiaries & joint venture, enclosed as Annexure XLIII;
- xxxviii. Restated Ind AS Unconsolidated Summary Statement of Segment information, enclosed as Annexure XLIV;

- xxxix. Restated Ind AS Unconsolidated Summary Statement of Fair values, enclosed as Annexure XLV;
  - xl. Restated Ind AS Unconsolidated Summary Statement of Fair value hierarchy, enclosed as Annexure XLVI;
  - xli. Restated Ind AS Unconsolidated Summary Statement of Financial risk management objectives and policies, enclosed as Annexure XLVII;
  - xlii. Restated Ind AS Unconsolidated Summary Statement of Hedging activity and derivatives, enclosed as Annexure XLVIII;
  - xliii. Restated Ind AS Unconsolidated Summary Statement of Capital management, enclosed as Annexure XLIX;
  - xliv. Restated Ind AS Unconsolidated Summary Statement of Capital Gearing Ratio, enclosed as Annexure L;
  - xlv. Restated Ind AS Unconsolidated Summary Statement of Tax shelter, enclosed as Annexure LI;
  - xlvi. Restated Ind AS Unconsolidated Statement of Dividend Paid, enclosed as Annexure LII;
  - xlvii. Restated IND AS Unconsolidated Summary Statement of Accounting Ratios, enclosed as Annexure LIII;
  - xlviii. Restated Ind AS Unconsolidated Summary Statement of Provision for investment and loan to subsidiary, enclosed as Annexure LIV;
  - xlix. Restated Ind AS Unconsolidated Summary Statement for Impact of Ind AS 115, enclosed as Annexure LV;
  - I. Restated Ind AS Unconsolidated Summary Statement of Others, enclosed as Annexure LVI.
10. According to the information and explanations given to us, in our opinion, the Restated Ind AS Unconsolidated Summary Statements and the abovementioned Restated Ind AS Unconsolidated financial information contained in Annexures I to LVI accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Annexure VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with 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 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, National Stock Exchange of India, BSE Limited and Registrar of Companies, National Capital Territory of Delhi and Haryana 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 Sudhir Soni

Partner

Membership No: 41870

Place: Mumbai

Date: October 24, 2018

	Annexure	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	VII	12,110.23	11,772.33	11,065.32	9,777.57
Capital work-in-progress	VII	1,299.37	1,353.96	1,648.76	1,316.68
Intangible assets	VIII	21.83	27.04	60.25	66.59
Financial assets	IX				
a) Investments		385.57	386.02	369.96	42.52
b) Trade receivables		958.75	880.00	483.18	351.92
c) Other financial assets		57.79	57.40	57.42	38.39
Income tax assets (Net)	X	127.66	303.53	566.89	125.12
Other non-current assets	XI	439.87	302.10	349.30	476.01
		<u>15,401.07</u>	<u>15,082.38</u>	<u>14,601.08</u>	<u>12,194.80</u>
<b>Current assets</b>					
Inventories	XII	16,916.18	13,559.00	15,173.24	9,799.35
Financial assets	XIII				
a) Trade receivables		10,309.84	12,697.89	11,723.91	13,253.23
b) Cash and cash equivalents		104.08	67.50	213.92	259.97
c) Bank balance other than included in cash and cash equivalents above		10.39	24.10	67.17	188.91
d) Loans		167.68	168.80	21.91	128.61
e) Other financial assets		189.90	184.30	210.85	70.16
Income Tax Assets (Net)	XIV	-	-	-	33.18
Other current assets	XV	2,161.49	2,228.18	3,327.96	2,560.93
		<u>29,859.56</u>	<u>28,929.77</u>	<u>30,738.96</u>	<u>26,294.34</u>
Assets classified as held for disposal	XVI	0.12	2.70	7.46	6.68
		<u>29,859.68</u>	<u>28,932.47</u>	<u>30,746.42</u>	<u>26,301.02</u>
<b>Total Assets</b>		<u>45,260.75</u>	<u>44,014.85</u>	<u>45,347.50</u>	<u>38,495.82</u>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Equity Share Capital	XVII	1,412.06	1,412.06	1,412.06	1,412.06
Other Equity	XVIII	22,866.60	22,081.88	18,528.18	16,378.68
		<u>24,278.66</u>	<u>23,493.94</u>	<u>19,940.24</u>	<u>17,790.74</u>
<b>Non-current liabilities:</b>					
Financial liabilities	XIX				
- Borrowings		1,246.32	1,517.70	1,535.78	994.33
Long Term Provisions	XX	79.25	95.10	90.23	70.98
Deferred tax liabilities (net)	XXI	529.80	552.19	657.17	210.81
Other non-current liabilities	XXII	215.49	182.19	194.63	103.42
		<u>2,070.86</u>	<u>2,347.18</u>	<u>2,477.81</u>	<u>1,379.54</u>
<b>Current liabilities:</b>					
Financial liabilities	XXIII				
a) Borrowings		4,807.66	5,669.00	6,573.71	6,947.88
b) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises		71.50	77.70	74.40	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		10,821.80	9,067.11	13,439.84	10,687.31
c) Other current financial liabilities		1,260.06	1,137.50	780.56	307.84
Other current liabilities	XXIV	1,015.29	1,023.45	1,469.60	1,066.83
Short term Provisions	XXV	367.41	375.77	283.40	242.65
Current tax liabilities (net)	XXVI	567.51	823.20	307.94	73.03
		<u>18,911.23</u>	<u>18,173.73</u>	<u>22,929.45</u>	<u>19,325.54</u>
<b>Total Equity and liabilities</b>		<u>45,260.75</u>	<u>44,014.85</u>	<u>45,347.50</u>	<u>38,495.82</u>

Note:

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS unconsolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Unconsolidated Financial Statements in Annexure VI.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date : October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date : October 24, 2018

	Annexure	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Income</b>					
Revenue from operations	XXVII	16,779.06	69,114.05	60,451.03	57,146.75
Other income	XXVIII	203.30	647.29	750.96	335.31
<b>Total Income</b>		<b>16,982.36</b>	<b>69,761.34</b>	<b>61,201.99</b>	<b>57,482.06</b>
<b>Expenses</b>					
Cost of materials consumed	XXIX	12,274.09	47,697.00	41,619.23	35,849.52
Purchases of traded goods	XXX	652.79	2,412.29	1,945.92	2,827.57
(Increase)/Decrease in Inventories of finished goods, traded goods and work-in-progress	XXXI	(638.70)	702.08	(2,193.48)	(586.61)
Excise duty		-	1,437.51	5,448.89	5,118.02
Project bought outs and other cost	XXXII	335.70	1,247.03	1,108.06	1,815.55
Employee benefits expense	XXXIII	704.83	2,561.54	2,266.60	2,038.94
Other expenses	XXXIV	1,731.94	5,698.77	5,484.15	5,162.68
Finance cost	XXXV	369.36	921.70	652.18	1,473.46
Depreciation and amortisation expense	XXXVI	348.61	1,319.65	1,274.23	1,111.20
<b>Total Expenses</b>		<b>15,778.62</b>	<b>63,997.57</b>	<b>57,605.78</b>	<b>54,810.33</b>
<b>Profit before tax</b>		<b>1,203.74</b>	<b>5,763.77</b>	<b>3,596.21</b>	<b>2,671.73</b>
<b>Tax expenses</b>					
Current tax		444.69	2,171.59	827.98	755.03
Deferred tax (credit)/charge		(23.53)	(114.18)	447.20	52.07
<b>Total tax expense</b>		<b>421.16</b>	<b>2,057.41</b>	<b>1,275.18</b>	<b>807.10</b>
<b>Profit for the period</b>		<b>782.58</b>	<b>3,706.36</b>	<b>2,321.03</b>	<b>1,864.63</b>
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement gains / (losses) on defined benefit plans		3.28	26.50	(2.41)	(32.97)
Income tax related to above item		(1.14)	(9.20)	0.84	11.41
<b>Other comprehensive income for the period, net of tax</b>		<b>2.14</b>	<b>17.30</b>	<b>(1.57)</b>	<b>(21.56)</b>
<b>Total Comprehensive Income for the period</b>		<b>784.72</b>	<b>3,723.66</b>	<b>2,319.46</b>	<b>1,843.07</b>
Earnings per share					
Basic and diluted earnings per share (₹)	XXXVII	5.54	26.25	16.44	13.21

Note:

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS unconsolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Unconsolidated Financial Statements in Annexure VI.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date : October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date : October 24, 2018

	Three month period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	1,203.74	5,763.77	3,596.21	2,671.73
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation of property, plant and equipment	348.61	1,319.65	1,274.23	1,111.20
(Gain)/Loss on disposal of property, plant and equipment	1.55	(80.60)	1.36	14.76
Finance income	(8.35)	(28.20)	(39.16)	(38.03)
Proceed of reserves on winding up of subsidiaries	-	-	(60.45)	-
Finance costs	369.36	921.70	652.18	1,473.46
Fair valuation of Financial asset	(82.51)	(8.60)	4.80	-
Liabilities / provisions no longer required written back	-	-	-	-
Impairment allowance for trade receivable considered doubtful	78.71	421.00	324.30	359.62
Unrealised foreign exchange differences	(12.77)	213.38	(140.63)	(64.38)
Fair value of written put option	-	55.00	-	-
Sundry advances written-off	-	8.00	64.26	0.36
<b>Operating profit before working capital changes</b>	<b>1,898.34</b>	<b>8,585.10</b>	<b>5,677.10</b>	<b>5,528.72</b>
<b>Movements in working capital:</b>				
(Increase)/decrease in trade receivables	2,429.48	(1,804.89)	1,051.47	(2,980.02)
(Increase)/decrease in other financial and non-financial assets	(93.40)	1,151.36	(969.83)	97.20
(Increase)/decrease in inventories	(3,357.18)	1,614.24	(5,373.89)	(888.58)
Increase /(decrease) in trade payables , other financial and non-financial liabilities and provisions	1,853.86	(4,633.55)	3,448.20	1,640.59
<b>Cash generated from operations</b>	<b>2,731.10</b>	<b>4,912.26</b>	<b>3,833.05</b>	<b>3,397.91</b>
Income tax paid (including TDS) (net)	(524.51)	(1,392.97)	(1,001.66)	(1,187.81)
<b>Net cash flows from operating activities (A)</b>	<b>2,206.59</b>	<b>3,519.29</b>	<b>2,831.39</b>	<b>2,210.10</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment including assets held for disposal	-	155.60	11.82	29.23
Purchase of property, plant and equipment (including Capital work in progress) including Intangible asset	(720.08)	(1,870.08)	(2,701.76)	(2,419.47)
Proceeds from sale of Mutual funds	0.18	-	-	-
Investment in equity shares of subsidiaries	-	(5.50)	(330.31)	(28.57)
Proceed of equity on winding up of subsidiaries	-	-	3.13	-
Receipt of proceed on winding up of subsidiaries	-	-	60.45	-
Loans and advances to subsidiaries and joint venture	-	(413.70)	111.90	(12.41)
Repayment of Loans and advances by subsidiaries and joint venture	1.55	262.80	(5.23)	0.93
Maturity/ (Investment) made in bank deposits (having original maturity of more than 3 months)	13.70	60.42	110.29	(107.62)
Interest received (finance income)	8.36	31.20	52.99	25.06
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>(696.29)</b>	<b>(1,779.26)</b>	<b>(2,686.72)</b>	<b>(2,512.85)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest paid	(338.38)	(928.47)	(663.47)	(1,487.22)
Proceeds from long term borrowings	-	679.59	914.49	986.57
Repayment from long term borrowings	(259.90)	(333.56)	-	-
Proceeds/(Repayment) from short term borrowings	(846.69)	(1,134.05)	(264.60)	1,167.97
Payment of dividend and Dividend distribution tax	(28.75)	(169.96)	(177.14)	(261.48)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(1,473.72)</b>	<b>(1,886.45)</b>	<b>(190.72)</b>	<b>405.84</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>36.58</b>	<b>(146.42)</b>	<b>(46.05)</b>	<b>103.09</b>
Cash and cash equivalents at the beginning of the period/year	67.50	213.92	259.97	156.88
<b>Cash and cash equivalents at the end of the period/year -Refer Annx XII(B)</b>	<b>104.08</b>	<b>67.50</b>	<b>213.92</b>	<b>259.97</b>
<b>Non-cash investing and financing transaction</b>				
Gain/(loss) on fair valuation of Financial asset	12.33	3.56	(4.80)	0.04
Gain/(loss) on fair valuation of Financial liability	(14.64)	(290.12)	148.60	64.38

The above statement should be read with Significant Accounting Policies forming part of the Restated Ind AS unconsolidated Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Unconsolidated Financial Statements in Annexure VI.

Notes:-

- Figures in brackets indicates outflows.

As per our report of even date  
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date : October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date : October 24, 2018

Annexure IV

Restated Ind AS Unconsolidated Summary Statement of Changes in Equity

**A) Equity Share Capital:**

(₹ Million)

Particulars	Numbers	Amount
As at 1 April 2015( Ind AS)	141	1,412.06
Changes in equity share capital during the year	-	-
<b>At 31 March 2016</b>	<b>141</b>	<b>1,412.06</b>
Changes in equity share capital during the year	-	-
<b>At 31 March 2017</b>	<b>141</b>	<b>1,412.06</b>
Changes in equity share capital during the year	-	-
<b>At 31 March 2018</b>	<b>141</b>	<b>1,412.06</b>
Changes in equity share capital during the three months period	-	-
<b>At 30 June 2018</b>	<b>141</b>	<b>1,412.06</b>

**B) Other Equity:**

(₹ Million)

Particulars	Reserves and Surplus				Total other equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
As at 1 April 2015 ( Ind AS)	0.13	3,205.60	650.69	10,976.60	14,833.02
Net Profit for the year				1,864.63	1,864.63
<b>Other comprehensive income</b>					
Other comprehensive income for the year, net of tax				(21.56)	(21.56)
<b>Total comprehensive income</b>	-	-	-	1,843.07	1,843.07
<b>Dividends</b>					
Interim equity dividend				(176.51)	(176.51)
Tax on interim equity dividend				(35.93)	(35.93)
Final Equity dividend				(70.60)	(70.60)
Tax on final equity dividend				(14.37)	(14.37)
<b>As at 31 March 2016</b>	<b>0.13</b>	<b>3,205.60</b>	<b>650.69</b>	<b>12,522.26</b>	<b>16,378.68</b>
Net Profit for the year				2,321.03	2,321.03
<b>Other comprehensive income</b>					
Other comprehensive income for the year, net of tax				(1.57)	(1.57)
<b>Total comprehensive income</b>	-	-	-	2,319.46	2,319.46
<b>Dividends</b>					
Interim equity dividend				(141.21)	(141.21)
Tax on interim equity dividend				(28.75)	(28.75)
<b>As at 31 March 2017</b>	<b>0.13</b>	<b>3,205.60</b>	<b>650.69</b>	<b>14,671.76</b>	<b>18,528.18</b>
Net Profit for the year				3,706.36	3,706.36
<b>Other comprehensive income</b>					
Other comprehensive income for the year, net of tax				17.30	17.30
<b>Total comprehensive income</b>	-	-	-	3,723.66	3,723.66
<b>Dividends</b>					
Interim equity dividend				(141.21)	(141.21)
Tax on interim equity dividend				(28.75)	(28.75)
<b>As at 31 March 2018</b>	<b>0.13</b>	<b>3,205.60</b>	<b>650.69</b>	<b>18,225.46</b>	<b>22,081.88</b>
Net Profit for the three month period				782.58	782.58
<b>Other comprehensive income</b>					
Other comprehensive income for the three month period, net of tax				2.14	2.14
<b>Total comprehensive income</b>	-	-	-	784.72	784.72
<b>As at 30 June 2018</b>	<b>0.13</b>	<b>3,205.60</b>	<b>650.69</b>	<b>19,010.18</b>	<b>22,866.60</b>

The above statement should be read with Significant Accounting Policies forming part of the Restated unconsolidated summary statement Ind AS Financial Information in Annexure V, Statement of Restatement Adjustment to Audited Ind AS Unconsolidated Financial Statements in Annexure VI.

As per our report of even date  
**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date : October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date : October 24, 2018

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

### **V.1 Corporate information**

Polycab India Limited ('The Company') is a public limited company (CIN- U31300DL1996PLC266483) domiciled in India and incorporated under the provisions of the Companies Act, 1956. The status of the Company Polycab Wires Private Limited has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on August 29, 2018 and consequently the name of the Company was changed to Polycab Wires Limited. The name of the Company has been further changed to Polycab India Limited effective October 13, 2018. The Registered office of the company is situated at E-554, Greater Kailash-II, New Delhi-110048. The Company is one of the largest manufacturers of various types of cables and wires. The Company is also in the business of Engineering, Procurement and Construction (EPC) projects, manufacturing and trading of Electrical Wiring Accessories, Electrical Appliances and Agro Pipe and pumps. The Company's manufacturing facilities are located at Daman in Daman and Diu, Halol in Gujarat, Nashik in Maharashtra and Roorkee in Uttarakhand. The Company caters to both domestic and international markets.

### **V.2 Basis of preparation & Significant Accounting Policies**

#### **2.1 Basis of preparation**

The Restated Ind AS Unconsolidated Summary Statement of Assets and Liabilities of the Company as at June 30, 2018 and as at March 31, 2018, March 31, 2017 and March 31, 2016, and the related Restated Ind AS Unconsolidated Summary Statement of Profit & Loss, Restated Ind AS Unconsolidated Summary Statement of Changes in Equity and Restated Ind AS Unconsolidated Summary Statement of Cash Flows for the three month period ended June 30, 2018 and each of the years ended March 31, 2018, March 31, 2017 and March 31, 2016, (hereinafter collectively referred to as "Restated Ind AS Unconsolidated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offering ("IPO") through Offer for sale by selling shareholders and fresh issue 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 and
- (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.

The Restated Ind AS Unconsolidated Summary Statements have been compiled from Interim Standalone Financial Statements of the Company for the three month period ended June 30, 2018 and annual consolidated financial statements for year March 31, 2018 and March 31, 2017 which also includes the comparative IND AS financial information as at and for the year ended March 31, 2016 and opening balance sheet as at April 1, 2015 prepared by the company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended.

The Company prepared its financial statements for all the periods up to and including the year ended March 31, 2016, in accordance with Auditing Standards notified under Section 133 of the Companies Act, 2013, read along with Rule 7 of the Companies (Accounts), Rules 2014 ( Indian GAAP or Previous GAAP).

The Interim unconsolidated financial statements of the Company as at and for three months ended June 30, 2018 have been prepared in accordance with the measurement and recognition principles of Ind AS 34 'Interim Financial Reporting', prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

The restated Unconsolidated Financial Information for the three month period June 30, 2018 and each year ended March 31, 2018, March 31, 2017 and March 31, 2016 has been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

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 Schedule III of the Companies Act, 2013. Based on the nature of products and 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.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest million upto two decimal places, except otherwise indicated.

## **2.2 Summary of significant accounting policies**

### **a. Investment in subsidiaries and joint ventures**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control exist in a joint venture arrangement are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its subsidiaries and joint ventures are initially recognized at cost. The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiary or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiary or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary or joint venture and its carrying value and recognises the impairment loss in the statement of profit and loss.

### **b. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or



## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **c. Fair value measurement**

The Company measures financial instruments, such as, derivatives, mutual funds etc. at fair value at each balance sheet date.

Fair value is the price that would be received on selling an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics, risk of the assets or liabilities and the level of fair value hierarchy as explained above.

#### **d. Property, plant and equipments and capital work-in-progress**

Property, plant and equipments are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipments is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period in which such expenses are incurred.

Capital work-in-progress comprises of property, plant and equipments that are not ready for their intended use at the end of reporting period and are carried at cost comprising of direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

Gains or losses arising from derecognition of property, plant and equipments 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.

Depreciation on Property, plant and equipments is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which are in line with the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

#### Property, plant and equipment's

Assets	Useful life (In Years)
Buildings	30-60
Plant & equipments	3-15
Electrical installations	10
Furniture & fixtures	10
Office equipments	3-6
Windmill	22
Vehicles	8-10

The residual values, useful lives and methods of depreciation of property, plant and equipments are reviewed at each financial year end and adjusted prospectively.

Leasehold lands are amortized over the period of lease.

Lease hold Improvements are depreciated on straight line basis over their initial agreement period.

#### e. Intangible assets

Intangible assets are stated at cost, net of accumulated amortisation and impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalisation criteria are met and that directly attributable cost of bringing the asset to its working condition for the intended use.

Gains or losses arising from derecognition of intangible assets 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.

Amortization on intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life (In Years)
Computer software	3

The residual values, useful lives and methods of depreciation of Intangible assets are reviewed at each financial year end and adjusted prospectively.

#### f. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

#### **Company as a Lessee:**

Operating leases payments are recognised as an expense in the statement of profit and loss as per the contractual terms over the lease period.

Finance lease are capitalised at the commencement of the lease and depreciated over the period of lease.

#### **g. Borrowing cost**

Borrowing cost include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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 are incurred.

#### **h. Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Impairment losses are recognised in the statement of profit and loss.

#### **i. Non- Current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The Company is committed to the sale expected within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

#### **j. Inventories**

Raw materials, traded goods, work in progress, finished goods, packing materials, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

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 at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been valued at net realisable value.

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.

The Company enters into purchase contract of copper and aluminium, in which the amount payable is not fixed on the date of purchase and the same is affected by changes in LME prices in future. Such transactions are entered into to protect the Company against the risk of price movement in the purchased copper and aluminium with respect to realisation of the price of product. Fair value hedges are mainly used to hedge the exposure to change in fair value of commodity price risks. The fair value adjustment remains a part of the carrying value of inventory and is taken to statement of profit and loss when the inventory is sold.

#### **k. Revenue recognition**

Revenue from contracts with customers for sale of goods, construction contracts and provision of services. Revenue from contracts with customers is recognized when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) The Company's performance does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Taxes collected on behalf of the government are excluded from revenue. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Variable consideration includes volume discounts, price concessions, liquidity damages, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjust estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

#### **Sale of goods**

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when the performance obligation is satisfied and control as per Ind AS 115 is transferred to the customer. The Company collects GST on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is disclosed net of discounts, incentives and returns, as applicable.

#### **Revenue from Construction contracts**

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time. since the company creates an asset that the customer controls as the asset is created and the company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term contracts, where the outcome can be estimated reliably and 10% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract Liabilities". Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contracts.

#### **Export incentives**

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations.

#### **Interest**

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

#### **Dividends**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

### **I. Foreign currency translation**

The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional currency.

Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

#### **Measurement of foreign currency item at the balance sheet date**

Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

#### **Exchange differences**

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using the exchange rates at the dates of the initial transactions.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

---

#### m. Employee benefits

##### i. Short-term employee benefits

All short term employee benefits such as salaries, incentives, special awards, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits, are charged to the statement of profit and loss.

Company has revised its leave policy applicable to all locations, except Daman, effective from 1<sup>st</sup> January 2018; Employees are entitled for 21 Days of Annual leave (AL) in a given calendar year and are eligible to accumulate upto maximum of 21 days. However, Company has provided a liability for past accumulated leaves as per policy, which can be availed by employees upto the end of calendar year i.e. 31<sup>st</sup> December 2018. The Company estimates the liability for such short-term benefits on cost to Company basis.

##### ii. Defined contribution plans

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Company recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds. The Company's contributions to defined contribution plans are charged to the statement of profit and loss as incurred.

##### iii. Defined benefit plan

The Company operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

##### iv. Other long-term employee benefit

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 advances 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.

#### n. Income taxes

Tax expenses comprise of 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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax relating to items recognised outside profit and loss is

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences 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.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax asset 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 is reviewed at each reporting date. The Company writes-down the carrying amount of 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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### **o. Segment reporting**

##### **Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services with each segment representing a strategic business unit that offers different products & serves different markets,

##### **Inter-segment transfers**

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

##### **Allocation of common costs/ Assets & liabilities**

Common allocable costs/ assets & liabilities are allocated to each segment are consistently allocated amongst the segments on appropriate basis.

##### **Unallocated items**

Unallocated items include general corporate income & expense items which are not allocated to any business segment.

##### **Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

---

#### p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that has changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

#### q. Provisions, Contingent liabilities and capital commitments

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Capital Commitments include the amount of purchase orders (net of advances) issued to parties for completion of assets.

#### r. Cash and cash equivalents

Cash and cash equivalents, for the purposes of cash flow statement, comprise of cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of cash flow statement consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial assets**

##### ***Initial recognition and measurement***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

##### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in two broad categories:



## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

---

- Financial assets at amortised cost
- Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e., fair value through profit and loss), or recognised in other comprehensive income (i.e., fair value through other comprehensive income).

#### a. Financial assets carried at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Profit and loss under the fair value option.

- Business Model test: The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial assets give rise on specified dates to cash flows, that are solely payments of principal and interest on the principal amount outstanding.

#### b. Financials assets at fair value through other comprehensive income

A Financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both, collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and loss

#### c. Financials assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit and loss.

#### ***Derecognition***

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### ***Impairment of financial assets***

The Company assesses impairment based on expected credit losses (ECL) model for the following:

- a) Trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18.
- b) Other financial assets such as deposits, advances etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognized as other expense in the statement of profit and loss.

#### **Financial liabilities**

##### ***Initial recognition and measurement***

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

##### ***Subsequent measurement***

The measurement of financial liabilities depends on their classification, as described below:

##### **a. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

##### **b. Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 is satisfied. For liabilities designated as

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.

---

FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### c. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss he incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### t. Derivative financial instruments

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss.

#### u. Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable. The Company enters into purchase contract of copper and aluminum, in which the amount payable is not fixed on the date of purchase, but instead is affected by changes in LME prices in future. Such transactions are entered into to protect against the risk of price movement in the purchased copper and aluminum. Accordingly, such unfixed payables are considered to have an embedded derivative.

#### **Hedge Accounting: Fair Value Hedges**

The Company designates the copper and aluminum price risk in such instruments as hedging instruments, with copper and aluminum inventory considered to be the hedged item. The hedged risk is copper and aluminum spot prices. At the inception of a hedge relationship, with effect from 1 April 2016, The Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking the hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

#### **v. Business combination under common control**

Common control business combination includes transactions such as transfer of subsidiaries or business between entities within a group.

Business combinations involving entities or business under common control are accounted for using the pooling interest method. Under pooling interest method, the assets and liabilities of combining entities are reflected at their carrying amount, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosures of its nature and purposes in the notes.

#### **w. Government grants:**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, its recognition as income in the statement of profit and loss is linked to fulfilment of associated export obligations.

The Company has chosen to present grants received to income as other income in the statement of profit and loss.

### **2.3 Significant accounting judgements, estimates and assumptions**

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

#### **(a) Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

##### **Leasehold land arrangement**

The Company has entered into land lease arrangements at various locations. Terms of such leases range from 30-90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of

## Polycab India Limited (formerly known as 'Polycab Wires Limited')

### Annexure V

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

the fair value of the leased asset. Accordingly, such lease is classified as finance lease. Other land lease are classified as operating leases.

#### **(b) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### **(i) Cost to complete**

The Company's management estimates the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls, identifying major risks facing the Company and developing and implementing initiative to manage those risks. The Company's Management is confident that the costs to complete the project are fairly estimated.

##### **(ii) Impairment of investments in subsidiaries and joint- ventures**

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

##### **(iii) Provisions and liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

##### **(iv) Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

##### **(v) Fair value measurements:**

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including multiples and the Discounted Cash flow (DCF model). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

##### **(vi) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure V**

#### **Notes to Restated unconsolidated summary statement of assets and liabilities, statement of profit and loss, statement of cash flows and statement of changes in equity for three month period ended June 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016.**

---

generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and it is written down to its recoverable amount.

#### **(vii) Defined benefit plans**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expenses in statement of profit and loss:

- a) Service cost comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements.
- b) Net interest expense or Income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### **Standards Issued but not Effective:**

The Company has applied the Companies (Indian Accounting Standards), Amendment Rules 2018 which is effective from April 1, 2018, while preparing the restated Ind AS financial statements.

Accordingly, the Company has applied the standards and interpretations issued which are not effective to the reporting period presented. Thus, all the Ind AS applicable till date have been applied, and there are no standards which are issued but not yet effective.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure VI

Part A: Statement of Restated Adjustments to Audited Ind AS Unconsolidated Financial statements

(₹ Million)

The summary of results of restatement made in the audited IND AS and Previous GAAP financials statements for the respective year / period and its impact on the profit of the Company is as follows:

Particulars	Notes	Three months period ended	for the year ended					Adjustment to opening reserve*
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	
		IND AS	IND AS	IND AS	IND AS	Previous GAAP*	Previous GAAP*	
Net profit as per audited financial statements		798.35	3583.90	2399.18	1897.23	1500.39	932.41	
a. Material items relating to previous years								
<b>Increase/(Decrease) in Income</b>								
Sundry balances written back in respective years	1	(21.61)	(103.50)	4.01	15.13	(58.30)	(74.03)	238.29
Adjustments in respect of government grants relating to earlier periods	2	-	97.95	(103.15)	5.21	-	-	-
Adjustment for insurance claims	3	(2.63)	(18.46)	16.73	(14.99)	11.60	7.74	-
Adjustment for estimated sales returns (net)	4	-	61.87	7.14	(44.71)	(1.39)	(22.91)	-
Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)	5	-	-	-	-	112.61	-	-
		(24.24)	37.86	(75.27)	(39.36)	64.52	(89.20)	238.29
<b>(Increase)/Decrease in Expenses</b>								
- Adjustment to other expenses incurred in relation to earlier periods for power and fuel	6	-	57.72	-	(13.25)	(15.05)	(12.68)	(16.74)
- Adjustment to other expenses incurred in relation to earlier periods rates and taxes	7	-	-	-	-	18.15	(9.08)	(9.07)
Revision in useful life	8	-	-	-	-	-	(4.86)	-
		-	57.72	-	(13.25)	3.10	(26.62)	(25.81)
<b>Total adjustments before tax</b>		(24.24)	95.58	(75.27)	(52.61)	67.62	(115.82)	212.48
<b>Restated Profit Before Tax</b>		774.11	3,679.48	2,323.91	1,844.62	1,568.01	816.59	212.48
Excess/(shortage) of tax relating to earlier year	9	-	26.06	6.77	-	(12.29)	0.03	(20.56)
Tax impact of adjustments	9	8.47	0.82	(9.65)	20.01	15.29	37.72	(72.66)
<b>Total tax adjustments</b>		8.47	26.88	(2.88)	20.01	3.00	37.75	
<b>Restated profit for the period/ year</b>		782.58	3,706.36	2,321.03	1,864.63	1,571.01	854.34	

\* The statement of restated adjustments has been included in both Ind AS and previous GAAP Unconsolidated summary statement financial for showing the impact of each of the adjustments for the years ended 31 March 2014 to 31 March 2018 and three months period ended 30 June 2018. Adjustments pertaining to period covered under previous GAAP has been made in previous GAAP summary statements.

The above statement should be read with the notes to the restated unconsolidated summary statement as appearing in Annexures.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

#### **1 Sundry balances Written Back**

In the audited financial statements for the years ended 31 March 2014 to 31 March 2018 and three months period ended 30 June 2018, certain liabilities including advances received from customers created in earlier years have been written back. For the purpose of this statement, the said liabilities which has been considered material have been appropriately adjusted in the respective years in which the same were originally created and accordingly, amount related to prior to 31 March 2014 have been adjusted to the retained earnings as at 01 April 2013.

#### **2 Adjustments in respect of government grants relating to earlier periods**

Adjustments relating to Government Grant income recognised in the financial statements for the year ended 31 March 2018, in respect of earlier periods has for the purpose of these restated financial statements been recorded in respective years.

#### **3 Adjustment for insurance claims**

The insurance claims received by the Company have for the purpose of the restated financial statements been adjusted in the respective years in which the actual loss giving rise to such insurance claims were accounted by the Company.

#### **4 Adjustment for estimated sales returns (net)**

Sales returns accounted by the Company have been adjusted in the restated financial statements in the years in which the original sales were accounted.

#### **5 Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)**

The Board of Directors of erstwhile Jaisingh Wires Private Limited (JWPL), Polycab Wires Industries Private Limited (PWIPL), Polycab Electrical Industries Private Limited (PEIPL), Polycab Electronics Private Limited (PEPL), Datar Nouveau Energietechnik Limited (DNEL) ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (formerly known as Polycab Wires Private Limited) (the 'Company') with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation. Pending such approvals, no effect of the proposed amalgamation had been given in the financial statements of the Company for year ended 31 March 2015.

Pursuant to sanction of the amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company and accordingly amalgamation was accounted for in the year ended March 31 2016 (Under IGAAP), as per AS 14 and April 1 2015 (Under Ind AS) as per Ind AS 103.

In the restated financial statements for the year ended March 31, 2015, company has accounted for the merger with effect from April 1 2014 i.e. appointed date as per the scheme of amalgamation.

The accounting of merger in the year 31 March 15 does not have any impact on any of the subsequent year at transition to Ind AS, Company had given the impact of merger in the opening balance i.e. 1 April 2015.

#### **6 Adjustment to other expenses incurred in relation to earlier periods-Power and Fuel**

Impact of settlement of certain uncertain positions in relation to VAT input on fuel expenses has been considered in the respective years to which such expenses originally related to.

#### **7 Adjustment to other expenses incurred in relation to earlier periods-Rates and Taxes**

Impact of settlement of demand in relation to property tax has been considered in the relevant years for which such demand was raised.

#### **8 Change in the estimated useful lives of the property, plant and equipments**

In the financial year ended 31 March 2015, pursuant to the Act being effective from 1 April 2014, the Company has revised the depreciation rates on its property, plant and equipments as per the useful life specified in Part C of the Schedule II of the Act. Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for property, plant and equipments which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. Considering the applicability of Schedule II, the Management of Company has re-estimated useful lives and residual values of all its property, plant and equipments. The impact of depreciation has been recomputed and adjusted in respective years.

#### **9 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.

Computation of deferred tax has been computed and adjusted to give effect to the reversal of timing differences on adjustments made as detailed above and has been adjusted in the restated profits and losses for the three months period ended 30 June 2018 and years ended 31 March 2018, 2017, 2016, 2015 and 2014 and the balance brought forward in Profit and Loss Account as at 1 April 2014.

#### **10 Impact of Ind AS 115:**

The Company has adopted Ind AS 115 effective April 1, 2018. For the purpose of preparation of restated financial statements, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 115 for each of the year ended March 31, 2018, 2017 and 2016. No material adjustments were identified for the purpose of restatement.



**Part B : Reconciliation of equity as per previous GAAP and Ind AS is as under:**

The impact of the application of accounting policies under Ind AS as at the transition date, April 1, 2015 has been summarised below.

As per previous GAAP as on 31 March 2015	Notes	14,841.40
<b>Impact of adjustment due to IND AS adjustments</b>		
Proposed equity dividend and tax on equity dividend	11	84.98
Interest free Security deposit recorded at Amortised cost	12	(0.00)
Hedge accounting as per IND AS 109	13	(135.40)
Impact of expected credit loss as per IND AS 109	14	(61.60)
Fair value of Investment in Mutual Funds	15	0.63
Impact of Government Grant accounting on property, plant and equipment	16	53.60
Deferred tax asset created on IND AS Adjustments	17	49.41
<b>As per restated IND AS as on 1 April 2015</b>		<b>14,833.02</b>

**11 Equity dividend and dividend distribution tax**

The liability of ₹ 70.61 millions and ₹ 14.37 millions for the year ended on 31 March 2015 recorded for dividend and dividend distribution tax has been derecognised against retained earnings on 1 April 2015.

**12 Security deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹ 0.30 millions as at 1 April 2015 – ₹ 0.30 millions. The prepaid rent increased by ₹ 0.30 millions as at 1 April 2015 - ₹ 0.30 millions. Total equity decreased by ₹ 0.00 millions as on 1 April 2015.

**13 Hedge Accounting**

For certain commodities, the purchase price is determined on a provisional basis at the date of purchase; adjustments to the purchase price subsequently occurs based on movements in quoted market prices up to the date of final pricing. The period between provisional pricing and final pricing is generally 60 to 90 days. Inventory cost on provisionally priced purchases is recognised based on the estimated fair value of the total consideration receivable. The price adjustment mechanism embedded within provisionally priced purchases arrangements has character of commodity derivative. Accordingly, the fair value of final purchase price adjustment is re-estimated continuously and changes in fair value are recognised in income statement directly as an adjustment to raw material consumption. Impact on unpriced purchase contract as of 1 April 2015 resulting to decrease in retained earnings by ₹ 135.40 millions with a corresponding decrease in value of closing inventory.

**14 Expected Credit Loss**

Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Company impaired its trade receivable by ₹ 61.60 millions on 1 April 2015, impact of the same is directly recognised in retained earnings.

**15 Fair value of Investment in Mutual Funds**

Under Indian GAAP, the Company accounted for investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, investments in mutual mutual funds are carried at fair value with resulting gain of ₹ 0.63 millions on 1 April 2015.

**16 Property, plant and equipment**

The Company import machinery using EPCG licences. Based on the terms of the license , the Company is not required to pay the import duty subject to export of agreed value in future time. Under Ind AS asset related grant is required to be recorded as deferred liabilities while asset should be recorded at gross value . Hence on the date of transition to Ind AS, an increase of ₹ 144.40 millions was recognised in property, plant and equipment. Total equity increased by ₹ 53.60 millions and deferred government grant increased by ₹ 90.80 millions as on 1 April 2015. This amount has been recognised against deferred government grant and amortised subsequently.

**17 Deferred tax**

Under Ind AS, deferred tax is calculated using balance sheet approach on various transitional adjustments which lead to temporary differences between the carrying amount of an asset or liability and its tax base. On transition date, deferred tax liability of ₹ 49.41 millions has been created.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

### Non-adjusting Events

**Other audit modifications included in the Annexure to the auditors report issued on the internal financial controls under clause (i) of Sub section 3 of Section 143 of the Companies Act 2013 are as follows:**

For the year ended March 31, 2017

#### Qualified Opinion

The Company's internal financial control over cut-off procedures for recognition of revenue at the year-end and review of invoices raised for certain category of customers were not operating effectively which could have potentially resulted in under or over accrual of revenue and receivables in the financial statements.

For the year ended March 31, 2016

#### Disclaimer of Opinion

During the year, the Company implemented a new ERP system. According to the information and explanation provided to us, since the ERP system was under stabilization, the Company relied on its legacy and manual controls. Since the Company was not able to provide us with sufficient appropriate audit evidence on the system internal financial control over financial reporting based on the essential components as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India we are unable to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting as at March 31, 2016.

**Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditors Report) Order 2016 and 2015 as applicable, on the Unconsolidated financial statements for the year ended March 31, 2018, 2017 and 2016 which do not require any corrective adjustment in the Restated Ind AS Unconsolidated Summary Statements, are as follows:**

For the year ended March 31, 2018

a) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:

- i. title deeds of freehold land amounting to ₹ 25.20 million are not in the name of the Company. The Company has initiated the process of transferring these properties in its name;
- ii. title deeds of freehold land amounting to ₹ 42.00 million not available;
- iii. title deeds of freehold land amounting to ₹ 10.50 million is in dispute and is pending resolution with the government authority

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

c) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, service tax, sales-tax, custom duty, excise duty, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. There is professional tax outstanding as on 31 March 2018 amounting to ₹ 44,840 not paid till date on account of pending registration with relevant authorities. The dues outstanding for more than six months in respect of income tax are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax collected on Source	0.42	2017-18	Various dates in FY 17-18	₹ 0.08 million paid on 7 April 2018 & ₹ 0.34 million paid on 27 April 2018
Income Tax Act, 1961	TDS on Salary	0.01	2017-18	7 July 2017	27 April 2018

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

According to the information and explanations given to us, dues outstanding of income tax, sales tax, service tax, duty of excise, custom duty and value added tax which have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944 and Service Tax	Duty	80.70	2006-07, 2010-2011, 2012-2016	Asst. Comm/Comm/Comm (Appeals)
		17.00	2007-11	Tribunal
State & Central Sales Tax, 1956	Tax, Interest & Penalty	162.11	2007-08, 2008-09, 2009-10, 2013-14, 2014-15, 2016-17	Asst. Comm/Comm/Dy. Comm Appeal/ Jt. Comm (Appeal) / Comm Tax Officer/ Asst. Officer
		3.70	2014-15	West Bengal Appellant and Revision Board
		0.70	2000-01, 2014-15	CIT Appeals
		138.20	2010-11	Tribunal
Customs Act, 1962	Duty	0.10	2010-11	Comm of Customs
Commercial Tax	Duty	25.50	2014-15, 2015-16, 2016-17	Comm Tax Inspector, Asst. Comm

For the year ended March 31, 2017

a) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:

- title deeds of freehold land amounting to ₹ 4.90 million are not in the name of the Company. The Company has initiated the process of transferring these properties in its name;
- title deeds of freehold land amounting to ₹ 70.80 million and of leasehold land amounting to Rs 14.50 million were not readily available;
- title deeds of freehold land amounting to ₹ 9.40 million are in dispute and is pending resolution with the government authority in Gujarat.

b) Undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.

c) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, service tax, sales-tax, custom duty, excise duty, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except the following:

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Due Date	Date of Payment
The Kerala Panchayat Raj (Professional tax) Rules, 1996	Professional Tax	0.00*	2016-17	Various Dates in FY 16-17	Not paid till date
The Assam Professions, Trades, Callings and Employment Taxation Act, 1947	Professional Tax	0.02	2016-17	Various Dates in FY 16-17	Not paid till date
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	0.00*	2016-17	1 October 2016	18 July 2017
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.01	2015-16	Various Dates in FY 15-16	Not paid till date
	Provident Fund	0.05	2016-17	Various Dates in FY 16-17	Not paid till date

\*Figures representing 0.00 are amounts less than Rs. 1500

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

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

Name of the statute	Nature of the dues	Amount (₹ in Million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7.00	2011-12	Commissioner of Income Tax (Appeals), Mumbai
		19.60	2013-14	
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	70.80	April 2010-Oct 10	Commissioner (Appeals), Daman
		1.60	Nov 2008 to Jan 2010	CESTAT, Ahmedabad
	Denial of Cenvat credit on capital goods	13.10	March 2008 to September 2011	CESTAT, Ahmedabad
	Denial of rebate claim	4.50	2012-13	J.S.(R.A) GOI, New Delhi
	Denial of input credit of business auxiliary services	3.40	May 2011 to August 2011	CESTAT, Mumbai
	Denial for rebate of duty paid on export made to SEZ	5.50	2014-15	Assistant Commissioner Somnath, Daman
The Central Sales Tax Act. 1956	CST liability for statutory declarations not collected (C Forms)	115.20	2007-09	Dy. Commission Appeal, Daman
		138.30	2010-11	Dy. Commission Appeal, Daman
		26.60	2009-10	Assistant Officer (VAT), Daman
The Customs Act, 1962	Dispute in classification of import item	0.10	2010-11	The Commissioner of Customs, Nhava Sheva
Finance Act, 1994	Denial of service tax credit of windmill	4.50	Feb 2010 to Mar 2015	CESTAT, Ahmedabad
Daman & Diu Value Added Tax Act, 2005	Liability for statutory declarations not collected	24.50	2012-13	Assessing Authority, Daman
The West Bengal Value Added Tax Act, 2003	Disputed liability on excess material entered without way bill	2.30	April 2016-March 2017	Commissioner (Appeals), Kolkata
Rajasthan Sales Tax Act, 1944	Disputed liability on excess material entered without way bill	0.30	April 2000 to March 2014	1 <sup>st</sup> Appellate Authority, Jaipur
Delhi Value Added Tax Act, 2004	Liability for statutory declarations not collected	0.10	2012-2013	Assessing Authority, Delhi

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

For the year ended March 31, 2016

a) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except the following:

i) title deeds of freehold land amounting to ₹ 15.44 million which were transferred to the Company by virtue of scheme of amalgamation approved by the High Court and these are in process of being registered in the name of the Company.

ii) title deeds of freehold land amounting to ₹ 29.82 million were not in the name of the Company. The Company has initiated the process of transferring these properties in its name;

iii) title deeds of freehold land amounting to ₹ 138.02 million and of leasehold land amounting to ₹ 1.41 million were not readily available;

iv) title deeds of freehold land amounting to ₹ 9.38 million is in dispute and is pending resolution with the government authority in Gujarat.

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

c) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, sales-tax, custom duty, excise duty, value added tax, cess and other statutory dues outstanding at the year end, for a period of more than six months from the date they became payable. Except the following :

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax deducted at source	3.53	2015-16	Various Dates in FY 15-16	Various Dates in FY 16-17
The Gujrat Professions Tax Act, 1976	Professional Tax	0.01	2015-16	15 May 2015	Not paid till date
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.12	2015-16	Various Dates in FY 15-16	Not paid till date
The Bihar Value Added Tax Act, 2005	Value Added Tax	1.09	2015-16	Various Dates in FY 15-16	29 November 2016

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

Name of the statute	Nature of the dues	Amount (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Denial of Input credit of Business Auxiliary Services	6.67	April 2010 to October 2010	Commissioner (Appeals), Daman
	Denial of Input credit of Business Auxiliary Services	16.40	November 2008 to January 2010	CESTAT, Ahmedabad
	Denial of Input credit on capital goods	13.08	March 2008 to September 2011	CESTAT, Ahmedabad
	Denial of rebate claim	0.45	2012-2013	J.S.(R.A) GOI New Delhi
	Denial of Input Credit of Business Auxiliary Services	3.44	May 2011 to August 2011	CESTAT, Mumbai
Central Sales Tax Act. 1956	CST liability for statutory declarations not collected	115.16	2007-2009	Dy. Commission Appeal
		138.30	2010-2011	Dy. Commission Appeal
		26.60	2009-2010	Assistant Officer (VAT), Daman
Finance Act, 1994	Denial of service tax credit of windmill	4.34	Feb 2010 to Mar 2013	CESTAT, Ahmedabad
Income Tax Act, 1961	Income Tax	7.07	2011-2012	Commissioner Appeals, CIT (Appeals), Mumbai

**Restated Ind AS Unconsolidated Summary Statement of Property, plant and equipment and capital work in progress**

	Freehold land	Leasehold land	Buildings	Plant & equipments	Electrical installations	Furniture & fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total	Capital Work in Progress
<b>Deemed cost (gross carrying amount)</b>												
At 1 April 2015	858.44	40.64	3,175.37	3,470.34	290.08	69.00	73.02	294.99	44.91	0.02	8,316.81	1,792.10
Additions/Adjustments	86.65	2.81	1,068.79	1,237.38	54.53	21.46	51.90	-	21.08	3.11	2,547.71	1,874.20
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(2,331.20)
Disposals	(2.15)	-	-	(6.53)	-	-	(0.02)	-	(1.71)	-	(10.41)	(18.42)
<b>At 31 March 2016</b>	<b>942.94</b>	<b>43.45</b>	<b>4,244.16</b>	<b>4,701.19</b>	<b>344.61</b>	<b>90.46</b>	<b>124.90</b>	<b>294.99</b>	<b>64.28</b>	<b>3.13</b>	<b>10,854.11</b>	<b>1,316.68</b>
Additions/Adjustments	64.23	13.10	723.43	1,603.62	83.99	5.41	16.93	-	18.13	(0.04)	2,528.80	2,545.00
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(2,207.10)
Disposals	-	-	-	(8.85)	-	-	(2.63)	-	(4.01)	-	(15.49)	(5.82)
<b>At 31 March 2017</b>	<b>1,007.17</b>	<b>56.55</b>	<b>4,967.59</b>	<b>6,295.96</b>	<b>428.60</b>	<b>95.87</b>	<b>139.20</b>	<b>294.99</b>	<b>78.40</b>	<b>3.09</b>	<b>13,367.42</b>	<b>1,648.76</b>
Additions/Adjustments	62.80	-	515.20	1,381.40	13.10	15.09	56.36	-	12.50	0.10	2,056.55	1,532.90
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(1,827.70)
Disposals	(64.30)	-	-	(4.14)	-	(5.00)	(3.70)	-	(0.60)	-	(77.74)	-
<b>At 31 March 2018</b>	<b>1,005.67</b>	<b>56.55</b>	<b>5,482.79</b>	<b>7,673.22</b>	<b>441.70</b>	<b>105.96</b>	<b>191.86</b>	<b>294.99</b>	<b>90.30</b>	<b>3.19</b>	<b>15,346.23</b>	<b>1,353.96</b>
Additions/Adjustments	0.50	-	326.10	326.00	16.40	6.10	3.60	-	4.10	-	682.80	559.62
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(614.21)
Disposals	-	-	-	(0.90)	-	-	(0.10)	-	(2.60)	-	(3.60)	-
<b>At 30 June 2018</b>	<b>1,006.17</b>	<b>56.55</b>	<b>5,808.89</b>	<b>7,998.32</b>	<b>458.10</b>	<b>112.06</b>	<b>195.36</b>	<b>294.99</b>	<b>91.80</b>	<b>3.19</b>	<b>16,025.43</b>	<b>1,299.37</b>
<b>Accumulated depreciation</b>												
<b>At 1 April 2015( Ind AS)</b>												
Depreciation charge for the year	-	0.41	140.46	824.68	50.95	9.83	26.14	15.72	8.53	0.50	1,077.22	-
Disposals/Adjustment	-	-	-	(0.68)	-	-	-	-	(0.00)	-	(0.68)	-
<b>At 31 March 2016</b>	<b>-</b>	<b>0.41</b>	<b>140.46</b>	<b>824.00</b>	<b>50.95</b>	<b>9.83</b>	<b>26.14</b>	<b>15.72</b>	<b>8.53</b>	<b>0.50</b>	<b>1,076.54</b>	<b>-</b>
Depreciation charge for the year	-	12.82	179.40	920.91	51.34	10.97	31.87	15.72	9.80	0.86	1,233.69	-
Disposals/Adjustment	-	-	-	(4.96)	-	-	(1.84)	-	(1.33)	-	(8.13)	-
<b>At 31 March 2017</b>	<b>-</b>	<b>13.23</b>	<b>319.86</b>	<b>1,739.95</b>	<b>102.29</b>	<b>20.80</b>	<b>56.17</b>	<b>31.44</b>	<b>17.00</b>	<b>1.36</b>	<b>2,302.10</b>	<b>-</b>
Depreciation charge for the year	-	1.10	208.50	940.90	55.50	11.50	33.80	15.70	10.70	0.80	1,278.50	-
Disposals/Adjustment	-	-	-	(1.30)	-	(2.40)	(2.60)	-	(0.40)	-	(6.70)	-
<b>At 31 March 2018</b>	<b>-</b>	<b>14.33</b>	<b>528.36</b>	<b>2,679.55</b>	<b>157.79</b>	<b>29.90</b>	<b>87.37</b>	<b>47.14</b>	<b>27.30</b>	<b>2.16</b>	<b>3,573.90</b>	<b>-</b>
Depreciation charge for three months period	-	0.10	54.00	256.40	13.50	3.00	9.40	3.90	3.00	0.10	343.40	-
Disposals/Adjustment	-	-	-	(0.50)	-	-	(0.10)	-	(1.50)	-	(2.10)	-
<b>At 30 June 2018</b>	<b>-</b>	<b>14.43</b>	<b>582.36</b>	<b>2,935.45</b>	<b>171.29</b>	<b>32.90</b>	<b>96.67</b>	<b>51.04</b>	<b>28.80</b>	<b>2.26</b>	<b>3,915.20</b>	<b>-</b>
<b>Net Book Value</b>												
<b>At 30 June 2018</b>	<b>1,006.17</b>	<b>42.12</b>	<b>5,226.53</b>	<b>5,062.87</b>	<b>286.81</b>	<b>79.16</b>	<b>98.69</b>	<b>243.95</b>	<b>63.00</b>	<b>0.93</b>	<b>12,110.23</b>	<b>1,299.37</b>
<b>At 31 March 2018</b>	<b>1,005.67</b>	<b>42.22</b>	<b>4,954.43</b>	<b>4,993.67</b>	<b>283.91</b>	<b>76.06</b>	<b>104.49</b>	<b>247.85</b>	<b>63.00</b>	<b>1.03</b>	<b>11,772.33</b>	<b>1,353.96</b>
<b>At 31 March 2017</b>	<b>1,007.17</b>	<b>43.32</b>	<b>4,647.73</b>	<b>4,556.01</b>	<b>326.31</b>	<b>75.07</b>	<b>83.03</b>	<b>263.55</b>	<b>61.40</b>	<b>1.73</b>	<b>11,065.32</b>	<b>1,648.76</b>
<b>At 31 March 2016</b>	<b>942.94</b>	<b>43.04</b>	<b>4,103.70</b>	<b>3,877.19</b>	<b>293.66</b>	<b>80.63</b>	<b>98.76</b>	<b>279.27</b>	<b>55.75</b>	<b>2.63</b>	<b>9,777.57</b>	<b>1,316.68</b>
<b>At 1 April 2015( Ind AS)</b>	<b>858.44</b>	<b>40.64</b>	<b>3,175.37</b>	<b>3,470.34</b>	<b>290.08</b>	<b>69.00</b>	<b>73.02</b>	<b>294.99</b>	<b>44.91</b>	<b>0.02</b>	<b>8,316.81</b>	<b>1,792.10</b>

Notes:-

(a) Capital WIP includes machinery in transit ₹ 68.90 Million (31 March 2018 : ₹ 36.50 Million.) (31 March 2017 : ₹ 140.60 Million.) (31 March 2016 : ₹ 41.50 Million)

(b) All property, plant and equipment are held in the name of the Company, except following :

(i) Title deed for freehold land amounting to ₹ 25.20 Million (31 March 2018 : ₹ 25.20 Million.) (31 March 2017: ₹ 4.90 Million) (31 March 2016: ₹ 29.82 Million)were not in the name of Company. The Company has initiated process of transferring these properties in its name.

(ii) Title deed for freehold land amounting to ₹ 36.50 Million (31 March 2018 : ₹ 42.00 Million.) (31 March 2017: ₹ 70.80 Million) (31 March 2016: ₹ 138.02 Million) and Leasehold land amounting to Nil (31 March 2017: ₹ 14.50 Million ) (31 March 2016: ₹ 1.40 Million )were not readily available.

(iii) Title deed is in dispute for freehold land amounting to ₹ 10.50 Million (31 March 2018 : ₹ 10.50 Million.) (31 March 2017: ₹ 9.40 Million) (31 March 2016: ₹ 9.38 Million)and is pending resolution with government authority at Gujarat. The Company has initiated the process of transferring these properties in its name.

(iv) Registration of title deeds was in progress in respect of freehold land acquired during the period aggregating Nil (31 March 2018 : ₹ 15.90 Million.). The registration for the same has been completed as on June 2018.

(v) As at 31 March, 2016. title deeds of freehold land amounting to ₹ 15.44 million which were transferred to the Company by virtue of scheme of amalgamation approved by the High Court and these are in process of being registered in the name of the Company.

(c) Various assets appearing in capital work in progress and capitalized for the three months ended 30 June 2018 ₹ 614.16 Million and for the year ended (31 March 2018 : ₹ 1827.70 Million.) ( 31 March 2017 - ₹ 2207.10 Million) ( 31 March 2016 - ₹ 2331.20 Million) have been shown in addition/transfer in respective class of Property, Plant and Equipments.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure VIII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Intangible assets**

	Computer - Software
<b>Deemed cost (gross carrying amount)</b>	
At 1 April 2015	51.20
Additions	49.37
Disposals	-
<b>At 31 March 2016</b>	<b>100.57</b>
Additions	34.20
Disposals	-
<b>At 31 March 2017</b>	<b>134.77</b>
Additions	7.94
Disposals	-
<b>At 31 March 2018</b>	<b>142.71</b>
<b>At 30 June 2018</b>	<b>142.71</b>
<b>Accumulated amortization</b>	
At 1 April 2015	-
Amortisation charge for the year	33.98
Disposals	-
<b>At 31 March 2016</b>	<b>33.98</b>
Amortisation charge for the year	40.54
Disposals	-
<b>At 31 March 2017</b>	<b>74.52</b>
Amortisation charge for the year	41.15
Disposals	-
<b>At 31 March 2018</b>	<b>115.67</b>
Amortisation charge for three months period	5.21
<b>At 30 June 2018</b>	<b>120.88</b>
<b>Net Book Value</b>	
At 30 June 2018	21.83
At 31 March 2018	27.04
At 31 March 2017	60.25
At 31 March 2016	66.59
At 1 April 2015	51.20

**Restated Ind AS Unconsolidated Summary Statement of Non-Current Financial Assets**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Investments</b>				
<b>Investments at fair value through profit or loss (FVTPL) (fully paid)- Unquoted</b>				
Investment in Mutual Funds	1.20	1.40	1.14	0.87
<b>Total FVTPL Investments</b>	<b>1.20</b>	<b>1.40</b>	<b>1.14</b>	<b>0.87</b>
<b>Investments carried at cost- Unquoted</b>				
<b>I. Investment in Equity Instruments of Subsidiaries</b>				
150,000 (31 March 2018 : 150,000) (31 March 2017 : 150,000) (31 March 2016 : 150,000) Equity shares of Polycab Wires Italy SRL of 1 Euro each fully paid up (refer annx - XLIII)	10.89	10.89	10.89	10.89
3,300,000 (31 March 2018 : 3,300,000) (31 March 2017 : 2,750,000) (31 March 2016 : 2,750,000) Equity shares of Tirupati Reels Private Limited of ₹ 10 each fully paid up (refer annx - XLIII)	33.00	33.00	27.50	27.50
663,000 (31 March 2018 : 663,000) (31 March 2017 : 663,000) (31 March 2016 : 663,000) Equity shares of Dowells Cable Accessories Private Limited of ₹10 each fully paid up (refer annx - XLIII)	6.63	6.63	6.63	6.63
Nil (31 March 2016: 2) Equity shares of Jaisingh Wires FZE UAE of AED 100,000 each fully paid up (refer annx - XLIII)	-	-	-	3.13
<b>II. Investment in Equity Instruments of Joint Venture</b>				
26,010,000 (31 March 2018 : 26,010,000) (31 March 2017 : 26,010,000) (31 March 2016 : Nil)Equity shares of Ryker Base Private Limited of ₹10 each fully paid up (refer annx - XLIII)	270.15	270.40	260.10	-
540,000 (31 March 2018 : 540,000) (31 March 2017 : 540,000) (31 March 2016 : Nil) Equity shares of Techno Electromech Private Limited of ₹10 each fully paid up (refer annx - XLIII)	70.20	70.20	70.20	-
<b>Total Investments (Gross)</b>	<b>390.87</b>	<b>391.12</b>	<b>375.32</b>	<b>48.15</b>
Less: Impairment allowance for investment in Polycab Wires Italy SRL Euro 90,000 (refer annx - LIV)	(6.50)	(6.50)	(6.50)	(6.50)
<b>Total Investments (Net)</b>	<b>384.37</b>	<b>384.62</b>	<b>368.82</b>	<b>41.65</b>
	<b>385.57</b>	<b>386.02</b>	<b>369.96</b>	<b>42.52</b>
Aggregate market value of unquoted mutual fund investment (Refer Annx -XLV & Annx -XLVI)	1.20	1.40	1.14	0.87

Note:

1. Investments at fair value through profit or loss (fully paid) reflect investment in unquoted mutual fund. (Refer Annx -XLVI) for determination of their fair values.

2. JV partner of the Ryker base Private Limited have the option to put their entire shareholding to the company at any time after a lock in period i.e. earlier of

(a) Fifth anniversary of the date on which the Plant commences production;

(b) The date failing six years and six months after the completion date

at a price being higher of:

• Fair market value of the shares or

• Sum of:

· Subscription price paid by JV partner and

· Additional Finance amounts contributed by JV partner from time to time.

**(B) Trade receivables**

Trade receivables - unsecured considered good	958.75	880.00	483.18	351.92
<b>Total Trade receivables</b>	<b>958.75</b>	<b>880.00</b>	<b>483.18</b>	<b>351.92</b>

**(C) Other financial assets**

Earnest money and security deposits	57.28	56.90	39.57	31.99
Deposits with bank having maturity period of more than 12 months	0.51	0.50	17.85	6.40
<b>Total other financial assets</b>	<b>57.79</b>	<b>57.40</b>	<b>57.42</b>	<b>38.39</b>

**Restated Ind AS Unconsolidated Summary Statement of Non-Current Income Tax Assets (Net)**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance income-tax (net of provision for taxation)	127.66	303.53	566.89	125.12
	<b>127.66</b>	<b>303.53</b>	<b>566.89</b>	<b>125.12</b>

**Restated Ind AS Unconsolidated Summary Statement of Other Non-Current Assets**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Capital advances - Unsecured, considered good unless stated otherwise	349.13	208.70	185.72	288.89
Capital advances - Unsecured, considered doubtful	41.11	41.10	45.20	45.20
Prepaid expenses	4.31	6.90	5.20	6.64
Balances with Statutory/Government authorities	86.43	86.50	158.38	180.48
	<b>480.98</b>	<b>343.20</b>	<b>394.50</b>	<b>521.21</b>
<b>Impairment allowance - capital advances</b>				
Doubtful	(41.11)	(41.10)	(45.20)	(45.20)
	<b>(41.11)</b>	<b>(41.10)</b>	<b>(45.20)</b>	<b>(45.20)</b>
	<b>439.87</b>	<b>302.10</b>	<b>349.30</b>	<b>476.01</b>



**Restated Ind AS Unconsolidated Summary Statement of Inventories**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Raw materials	7,370.89	4,890.70	5,963.12	3,004.31
Traded goods	492.97	458.70	514.05	502.08
Work-in-progress	1,162.61	1,031.50	1,263.49	977.91
Finished goods	6,973.49	6,447.30	6,883.94	4,943.57
Packing materials	82.97	85.70	48.20	67.66
Scrap materials	81.83	134.70	112.80	157.24
Stores and spares	91.64	81.00	86.65	59.97
Project materials for long-term contracts	659.78	429.40	300.99	86.61
	<b>16,916.18</b>	<b>13,559.00</b>	<b>15,173.24</b>	<b>9,799.35</b>

Notes:-

(i) The above includes goods in transit as under:

Raw Material	3,679.78	1,215.26	2,057.65	1283.53
Traded goods	44.83	58.32	65.27	9.88
Packing Material	-	-	7.02	4.95
Stores and Spares	-	-	24.87	5.83
Project materials for long-term contracts	20.40	48.20	-	-

(ii) During the period ended 30 June 2018, ₹ 43.1 Million (31 March 2018 - ₹ 13 Million) (31 March 2017 - ₹ 53.8 Million) (31 March 2016 - Nil) was recognised as an expense for inventories carried at net realisable value.

(iii) Inventories are hypothecated with the bankers against working capital limits. (Refer Annx - XXIII(A))

(iv) The Company enters into purchase contract of copper and aluminium, in which the amount payable is not fixed on the date of purchase and the same is affected by changes in London Metal Exchange (LME) prices in future. Such transactions are entered in to protect the Company against the risk of price movement in the purchased copper and aluminium. Fair value hedges are mainly used to hedge the exposure to change in fair value of commodity price risks. The fair value adjustment remains part of the carrying value of inventory and taken to profit and loss when the inventory is sold. (Refer Annex - XLVII(A)(iii))

**Restated Ind AS Unconsolidated Summary Statement of Current Financial Assets**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Trade receivables</b>				
<b>Considered good -unsecured</b>				
Outstanding for a period exceeding six months	3,311.73	3,329.24	1,891.31	2,019.27
Others	6,839.91	9,224.05	9,724.93	11,228.73
Receivables from related parties ( refer annx - XLII (A))	158.20	144.60	107.67	5.23
Receivables- credit impaired	1,289.18	1,215.50	947.60	873.30
<b>Trade receivables (Gross)</b>	<b>11,599.02</b>	<b>13,913.39</b>	<b>12,671.51</b>	<b>14,126.53</b>
Less: Impairment allowance for trade receivables considered doubtful	(1,289.18)	(1,215.50)	(947.60)	(873.30)
	<b>10,309.84</b>	<b>12,697.89</b>	<b>11,723.91</b>	<b>13,253.23</b>

Notes:-

- Trade receivables are non-interest bearing and are generally on credit terms upto 90 days except EPC business.

- For EPC business trade receivables are non-interest bearing and credit terms are specific to contracts.

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

At the beginning of year	1,215.50	947.60	873.30	849.10
Provision during the period	73.68	421.00	324.30	359.62
Bad debts written off	-	(153.10)	(250.00)	(335.42)
At the end of the period	<b>1,289.18</b>	<b>1,215.50</b>	<b>947.60</b>	<b>873.30</b>

**(B) Cash and cash equivalents**

Balances with banks				
In current accounts	102.40	62.70	173.89	256.09
Deposits with original maturity of less than three months	-	-	11.19	-
Cash in hand	1.68	0.90	2.54	3.88
Cheques in hand	-	3.90	26.30	-
	<b>104.08</b>	<b>67.50</b>	<b>213.92</b>	<b>259.97</b>

**(C) Bank balance other than cash and cash equivalents**

Deposits with original maturity for more than 12 months	8.07	8.10	2.48	22.30
Deposits with original maturity for more than 3 months but less than 12 months	1.94	16.00	64.69	166.57
Margin money deposit*	0.38	-	-	0.04
	<b>10.39</b>	<b>24.10</b>	<b>67.17</b>	<b>188.91</b>

\*Margin Money deposit given as a security against bill discounting. Value as on 30 June 2018: ₹ 0.38 million (31 March 2018: Nil) (31 March 2017: Nil) (31 March 2016: ₹ 0.04 million)

Annexure XIII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Current financial assets**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(D) Loans</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
Loans to employees	11.63	11.17	8.69	8.72
Loans to related party	186.55	188.13	37.22	143.89
<b>Total Loans (Gross)</b>	<b>198.18</b>	<b>199.30</b>	<b>45.91</b>	<b>152.61</b>
Less: Impairment allowance for loan recoverable form Polycab Wires Italy SRL(Refer Annx - LVI)	(30.50)	(30.50)	(24.00)	(24.00)
	<b>167.68</b>	<b>168.80</b>	<b>21.91</b>	<b>128.61</b>
<b>(E) Other financial assets</b>				
Security deposits and earnest Money	44.76	39.50	61.16	37.85
Interest accrued on bank deposits	1.19	1.20	4.20	6.91
Contract Asset	133.56	140.30	145.49	-
Interest accrued on loan to related parties	-	-	-	11.13
<b>Derivative instruments at fair value through profit or loss</b>				
Foreign exchange forward contracts	-	-	-	14.27
Interest rate and cross currency swap	15.43	3.30	-	-
	<b>194.94</b>	<b>184.30</b>	<b>210.85</b>	<b>70.16</b>
Less: Impairment allowance for Contract Asset considered doubtful	(5.04)	-	-	-
	<b>189.90</b>	<b>184.30</b>	<b>210.85</b>	<b>70.16</b>

Annexure XIV

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Current income tax assets (Net)**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance income-tax (net of provision for taxation)	-	-	-	33.18
	-	-	-	33.18

Annexure XV

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Other current assets**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advances for materials and services	638.71	738.05	1,147.61	771.49
Prepaid expenses	67.05	85.60	43.84	19.14
Advances to employees	-	-	0.79	0.32
Balances with statutory/government authorities	1,361.90	1,173.80	1,883.95	1,508.89
Export incentive receivable	38.19	48.80	55.45	44.08
Others	55.64	181.93	196.32	217.01
	<b>2,161.49</b>	<b>2,228.18</b>	<b>3,327.96</b>	<b>2,560.93</b>

Annexure XVI

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Assets classified as held for disposal**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Assets held for disposal	0.12	2.70	7.46	6.68
	<b>0.12</b>	<b>2.70</b>	<b>7.46</b>	<b>6.68</b>

On 30 June 2018, the Company classified certain property, plant and equipment Nil (31 March 2018 - ₹ 2.60 Million) (31 March 2017 - ₹ 4.46 Million) , factory building Nil (31 March 2018 - Nil) (31 March 2017 - ₹ 2.10 Million) & other asset ₹ 0.12 Million (31 March 2018 - ₹ 0.12 Million) (31 March 2017 - ₹ 0.90 Million)retired from active use and held for sale recognised and measured in accordance with Ind-AS 105 "Non Current Assets Held For Sale and Discontinued Operations"at lower of its carrying amount and fair value less cost to sell. The Company expects to complete the sale in financial year 2018-19.

**Restated Ind AS Unconsolidated Summary Statement of Equity share capital**

**(A) Authorised share capital**

(Equity shares of ₹ 10 each)  
At 31 March 2015  
Increase during the year  
At 31 March 2016  
Increase during the year  
At 31 March 2017  
Increase during the year  
At 31 March 2018  
Increase during three month period  
At 30 June 2018

Equity shares	
Numbers in Million	(₹ Million)
150.00	1,500.00
36.25	362.50
186.25	1,862.50
-	-
186.25	1,862.50
-	-
186.25	1,862.50
-	-
186.25	1,862.50

**(B) Issued, subscribed and fully paid-up shares**

(Equity shares of ₹ 10 each)  
At 31 March 2015  
Changes during the year  
At 31 March 2016  
Changes during the year  
At 31 March 2017  
Changes during the year  
At 31 March 2018  
Changes during three months period  
At 30 June 2018

Numbers in Million	(₹ Million)
141.21	1,412.06
-	-
141.21	1,412.06
-	-
141.21	1,412.06
-	-
141.21	1,412.06
-	-
141.21	1,412.06

**(C) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

During three month ended 30 June 2018, the amount of per share interim dividend recognized and paid to equity shareholders Nil (31 March 2018: ₹ 1) (31 March 2017: ₹ 1)(31 March 2016: ₹ 1.25).

During three month ended 30 June 2018, the amount of per share final dividend recognized as distribution to equity shareholders NIL (31 March 2018: Nil) (31 March 2017: Nil) (31 March 2016: ₹ 0.50 ).

**(D) Details of shareholders holding more than 5% shares in the**

Name of the shareholder	As at 30 June 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Mr. Inder T. Jaisinghani	23.69	16.78%	23.78	16.84%	30.02	21.26%	30.02	21.26%
Mr. Girdhari T. Jaisinghani	23.57	16.69%	23.66	16.76%	24.00	17.00%	24.00	17.00%
Mr. Ramesh T. Jaisinghani	23.49	16.63%	23.58	16.70%	24.00	17.00%	24.00	17.00%
Mr. Ajay T. Jaisinghani	23.49	16.64%	23.58	16.70%	24.00	17.00%	24.00	17.00%
International Finance Corporation (IFC)	21.18	15.00%	21.18	15.00%	21.18	15.00%	21.18	15.00%

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.

**Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date :**

(i) 70.60 million equity shares of ₹ 10 each fully paid up issued as Bonus shares in the ratio of 1:1 by capitalization of Securities premium during the year ended 31 March 2015.

(ii) 5.01 million equity shares of ₹ 10 each fully paid up issued to debenture holder pursuant to conversion of 17.00 million Compulsory Convertible Debentures of ₹100 each for consideration other than cash during the year ended 31 March 2013.

**Restated Ind AS Unconsolidated Summary Statement of Other equity**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Capital reserve</b>	0.13	0.13	0.13	0.13
<b>(B) Securities premium*</b>	3,205.60	3,205.60	3,205.60	3,205.60
<b>(C) General reserve*</b>	650.69	650.69	650.69	650.69
<b>(D) Retained earnings</b>				
Opening balance	18,225.46	14,671.76	12,522.26	10,976.60
Add: Profit during the year / period	784.72	3,723.66	2,319.46	1,843.07
Less: Interim equity dividend	-	(141.21)	(141.21)	(176.51)
Less: Tax on interim equity dividend	-	(28.75)	(28.75)	(35.93)
Less: Equity dividend	-	-	-	(70.60)
Less: Tax on equity dividend	-	-	-	(14.37)
	19,010.18	18,225.46	14,671.76	12,522.26
<b>Total ( A+B+C+D)</b>	22,866.60	22,081.88	18,528.18	16,378.68

\* Securities premium represents the surplus of proceeds received over the face value of share at the time of issue of shares.

\* General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit or loss.

**Restated Ind AS Unconsolidated Summary Statement of Non-current financial liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Borrowing</b>				
<b>External commercial borrowing (secured)</b>				
Foreign currency loan from HSBC Bank (Mauritius) Ltd	914.34	1,084.10	1,296.71	663.33
<b>Rupee loan (secured)</b>				
Indian rupee loan from Citibank N.A.	1,101.68	1,137.30	572.86	331.00
	2,016.02	2,221.40	1,869.57	994.33
Less: Current maturities of long-term borrowings ( Refer Annexure XXII - C )	(769.70)	(703.70)	(333.79)	-
	1,246.32	1,517.70	1,535.78	994.33

**The above loans are secured by way of**

- First pari passu charge by way of registered mortgage on specific immovable fixed assets at Halol and hypothecation of all movable fixed assets acquired on or after 1 April 2015.
- Second pari passu charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015 and on all current assets of the Company.
- Charges with respect to above borrowing has been created in favor of lead banker in the consortium. No separate charge created for each of the borrowing.

**Maturity profile of non-current borrowings**

	Remark	< 1 Year	1-3 Years	3-5 Years
<b>External commercial borrowing (secured)</b>				
Foreign currency loan from HSBC Bank (Mauritius) Ltd	Repayable in 6 instalment in 3 year	457.20	457.20	-
<b>Rupee loan (secured)</b>				
Indian rupee loan from Citibank N.A.	Repayable in 16 quarterly instalment	312.50	604.30	184.82
<b>Total</b>		769.70	1,061.50	184.82

**Restated Ind AS Unconsolidated Summary Statement of Long term provisions**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Provision for employee benefits</b>				
Gratuity (Refer Annexure - XLI)	79.25	95.10	90.23	70.98
	<b>79.25</b>	<b>95.10</b>	<b>90.23</b>	<b>70.98</b>

**Restated Ind AS Unconsolidated Summary Statement of Income taxes**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Income tax expense in the statement of profit and loss comprises:</b>				
<b>Current income tax:</b>				
In respect of current year / period	444.69	2,171.59	827.98	755.03
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(23.53)	(114.18)	447.20	52.07
<b>Income tax expense reported in the statement of profit or loss</b>	<b>421.16</b>	<b>2,057.41</b>	<b>1,275.18</b>	<b>807.10</b>
<b>(B) OCI section - Deferred tax related to items recognised in OCI during in the year / period:</b>				
Net loss/(gain) on remeasurements of defined benefit plans	1.14	9.20	(0.84)	(11.41)
<b>Income tax expense charged to OCI</b>	<b>1.14</b>	<b>9.20</b>	<b>(0.84)</b>	<b>(11.41)</b>
<b>(C) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:</b>				
<b>Profit before tax</b>	<b>1,203.74</b>	<b>5,763.77</b>	<b>3,596.21</b>	<b>2,671.73</b>
Applicable Tax rate	34.94%	34.61%	34.61%	34.61%
Tax using applicable tax rate	420.62	1,994.84	1,244.66	924.69
<b>Effect of:</b>				
Expenses not allowed for tax purpose	7.73	108.93	166.59	42.04
Income not considered for tax purpose	(7.20)	(17.81)	(34.39)	(83.63)
Additional allowance for tax purpose	-	(28.55)	(101.68)	(76.00)
<b>Income tax charged to statement of profit and loss account</b>	<b>421.15</b>	<b>2,057.41</b>	<b>1,275.18</b>	<b>807.10</b>

**(D) Deferred tax liabilities comprises:**

	Balance Sheet				Statement of profit and loss			
	As at	As at	As at	As at	Three month ended	Year ended		
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Deferred tax liability</b>								
Property Plant & Equipments: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	899.09	889.39	840.70	673.11	9.70	48.69	167.59	117.50
Reversal of brought forward business losses	-	-	-	-	-	-	-	(55.20)
Duties and taxes allowable under Income tax Act on payment basis	318.00	318.00	346.67	-	-	(28.67)	346.67	-
<b>Gross deferred tax liability</b>	<b>1,217.09</b>	<b>1,207.39</b>	<b>1,187.37</b>	<b>673.11</b>	<b>9.70</b>	<b>20.02</b>	<b>514.26</b>	<b>62.30</b>
<b>Deferred tax asset</b>								
Impact of expenditure charged to the Statement of Profit and Loss in the current year / period but allowed for tax purposes on payment basis	245.56	234.50	202.20	165.00	(11.06)	(32.30)	(37.20)	(32.14)
Provision for expected credit loss (ECL)	441.73	420.70	328.00	297.30	(21.03)	(92.70)	(30.70)	10.50
Tax on re-measurement gains / (losses) on defined benefit plans	-	-	-	-	(1.14)	(9.20)	0.84	11.41
<b>Gross deferred tax asset</b>	<b>687.29</b>	<b>655.20</b>	<b>530.20</b>	<b>462.30</b>	<b>(33.23)</b>	<b>(134.20)</b>	<b>(67.06)</b>	<b>(10.23)</b>
<b>Deferred tax liability (net)</b>	<b>529.80</b>	<b>552.19</b>	<b>657.17</b>	<b>210.81</b>	<b>(23.53)</b>	<b>(114.18)</b>	<b>447.20</b>	<b>52.07</b>

**Restated Ind AS Unconsolidated Summary Statement of Income taxes****(E) Reconciliation of deferred tax assets/ liabilities (net):**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>At the beginning of the year</b>	<b>552.19</b>	<b>657.17</b>	<b>210.81</b>	<b>170.15</b>
Tax (income)/expense during the period recognised in profit or loss	(23.53)	(114.18)	447.20	52.07
Tax (income)/expense during the period recognised in OCI	1.14	9.20	(0.84)	(11.41)
<b>At the end of the period/year</b>	<b>529.80</b>	<b>552.19</b>	<b>657.17</b>	<b>210.81</b>

**Notes:-**

(i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(ii) At the time of filing the Income tax return for FY 2016-17, Company has considered the credit balance in personal ledger account (PLA) and RG23A excise accounts as payment of tax under section 43 B of Income Tax Act, 1961. Based on this the Company has recomputed its current tax & deferred tax and changed the tax provision for 2016-17 including deferred tax.

(iii) The Company has received CIT(A) order dated 09 March 2018 for AY 2012-13, 2013-14, 2014-15 and 2015-16 allowing Company's major claims relating to sales tax subsidy as capital receipt, additional depreciation, disallowance u/s 14A read with rule 8D and consequently carry forward losses and payment of tax under MAT. Company's claim was partly allowed, Income Tax Dept. has filed appeals in the tribunal against the company and company has also filed appeal against disallowance in these orders, Since subject matter is pending in the higher courts and therefore company has not accounted for refund receivable on these orders which is ₹ 1021.20 Million including interest ₹ 167.00 Million u/s 234B and 234C of the Income Tax Act, 1961.

**Restated Ind AS Unconsolidated Summary Statement of Other Non-Current Liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Deferred government grant	215.49	182.19	194.63	103.42
	<b>215.49</b>	<b>182.19</b>	<b>194.63</b>	<b>103.42</b>

**Note:-**

Under Ind AS government grants are recorded as deferred liabilities to the extent of unfulfilled export obligations. This amount has been recognised against deferred government grant and amortised subsequently on fulfilment of export obligation.

**Restated Ind AS Unconsolidated Summary Statement of Current financial liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(A) Borrowings</b>				
<b>Loan repayable on demand (from bank)</b>				
Buyer's Credit (Secured)	2,604.03	4,156.20	4,801.87	3,652.81
Cash Credit from banks (Secured)	209.26	40.80	288.91	662.27
Short-term loan from banks (Secured)	1,822.16	1,087.00	1,067.10	1,776.11
Packing Credit (Secured)	172.21	351.20	415.83	856.69
Packing Credit (Unsecured)	-	33.80	-	-
	<b>4,807.66</b>	<b>5,669.00</b>	<b>6,573.71</b>	<b>6,947.88</b>

Note-

(i) Secured borrowings from banks are secured against pari passu first charge by way of hypothecation of inventories and receivables.

(ii) Pari passu first charge on specific properties, plant and equipments of the Company such as Daman staff quarters, Daman godown premises, factory land and building at Halol and Daman and office building at Mumbai.

(iii) Pari passu first charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015.

(iv) Pari passu second charge by way of registered mortgage on all movable assets acquired on or after 1 April 2015.

(v) Charges with respect to above borrowing has been created in favour of lead banker in the consortium. No separate charge has been created for each of the borrowing.

Annexure XXIII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Current financial liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(B) Trade Payable</b>				
Total outstanding dues of micro and small enterprises	71.50	77.70	74.40	-
Total outstanding dues of creditors other than micro and small enterprises				
Trade payables - Others - (Refer note - (i))	10,764.55	9,016.32	13,420.54	10,552.23
Trade payables to related parties (refer Annx - XLII (A))	57.25	50.79	19.30	135.08
	<b>10,893.30</b>	<b>9,144.81</b>	<b>13,514.24</b>	<b>10,687.31</b>

(i) Trade payables as at 30 June 2018, includes Bills of Exchange(BOE) accepted against supplier's credit amounting to ₹ 2213.30 Million (31 March 2018: ₹ 4603.20 Million, 31 March 2017: ₹ 4212.60 Million, 31 March 2016: ₹ 2599.10 Million BOE are generally payable within 90 days and related discounting charges are paid by the Company.

(ii) For explanations on the Company's credit risk management processes, refer Annx-XLVIII

(iii) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the three months period ended 30 June 2018 and years ended 31 March 2018, 31 March 2017 and 31 March 2016 are given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
a) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:				
Principal	71.50	77.70	74.40	-
Interest	-	2.50	-	-
b) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-	-
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 MSMED Act.	-	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	2.50	-	-
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 MSMED Act, 2006	-	-	-	-

Annexure XXIII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Current Financial Liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>(C) Other current financial liabilities</b>				
Current maturities of long-term borrowings (Refer Annx- XIX)	769.70	703.70	333.79	-
Security deposit	44.64	42.00	42.89	36.06
Interest accrued but not due on borrowings	7.69	15.40	23.67	32.33
Interest accrued and due on borrowings	0.43	1.50	-	2.63
Creditors for capital expenditure	265.69	219.70	297.90	213.00
Derivative liability	48.24	66.50	82.31	23.82
Deferred liability	113.62	78.40	-	-
Other (refer foot note)	10.05	10.30	-	-
	<b>1,260.06</b>	<b>1,137.50</b>	<b>780.56</b>	<b>307.84</b>

Note :- Company has provided a shortfall undertaking for credit facility availed by the Ryker Base Private Limited and Tirupati Reels Private Limited, amounting to ₹ 780.50 Million and ₹ 159.10 Million respectively. The fair value of corporate guarantee - ₹ 10.05 Million (31 March 2018 - ₹ 10.30 Million) (31 March 2017 - Nil) (31 March 2016 - Nil) has been included to caring cost of investment.

**Restated Ind AS Unconsolidated Summary Statement of Other Current Liabilities**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Advance from customers	276.12	199.84	186.98	93.23
Contract Liability* (Refer annx - XXXIX)	675.45	777.01	390.81	216.20
Excise duty payable on finished goods	-	-	740.96	466.89
Other statutory dues	63.72	46.60	150.85	290.51
	<b>1,015.29</b>	<b>1,023.45</b>	<b>1,469.60</b>	<b>1,066.83</b>

Note - In the year ended 31 March 2017, the company had made a provision of excise duty payable amounting to ₹ 740.96 Million (31 March 2016: ₹ 466.89 Million) on stocks of finished goods. In the year 31 March 2018, the Government of India has implemented Goods and Service Tax (GST) w.e.f July 01, 2017 which has replaced excise duty, service tax and other indirect taxes. Hence no provision for excise duty on stock of finished goods has been made thereafter.

**Restated Ind AS Unconsolidated Summary Statement of Short Term Provisions**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>Provision for employee benefits</b>				
Gratuity ( Refer Annexure - XLI)	96.48	87.80	74.62	73.02
Compensated absences	199.44	195.60	148.74	120.95
Provision for tax on interim equity dividend	-	28.67	28.67	35.93
Provision for warranty (Refer note below)	71.49	63.70	31.37	12.75
	<b>367.41</b>	<b>375.77</b>	<b>283.40</b>	<b>242.65</b>

Note :-

A provision is recognised for expected warranty claims and after sales services on products sold, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
At the beginning of the period/year	63.70	31.37	12.75	1.90
Arising during the period/year	14.53	45.03	18.62	10.85
Utilised during the period/year	(6.74)	(12.70)	-	-
At the end of the period/year	<b>71.49</b>	<b>63.70</b>	<b>31.37</b>	<b>12.75</b>

**Restated Ind AS Unconsolidated Summary Statement of Current Tax Liabilities (Net)**

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Provision for Current Tax (Net of advance tax)	567.51	823.20	307.94	73.03
	<b>567.51</b>	<b>823.20</b>	<b>307.94</b>	<b>73.03</b>

**Restated Ind AS Unconsolidated Summary Statement of Revenue From Operations**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Sale of products (including excise duty but excluding GST)				
Finished goods	15,366.30	62,534.10	55,206.98	50,244.53
Traded goods	796.15	3,166.05	2,588.63	3,132.96
Revenue from construction contracts	364.06	2,063.60	1,534.34	2,824.75
	<b>16,526.51</b>	<b>67,763.75</b>	<b>59,329.95</b>	<b>56,202.24</b>
<b>Other operating revenue</b>				
Scrap sales	244.17	1,282.00	1,043.52	920.84
Export incentives	8.38	68.30	77.56	23.67
	<b>16,779.06</b>	<b>69,114.05</b>	<b>60,451.03</b>	<b>57,146.75</b>

i) Revenue from operations includes -Revenue from contracts with customers ₹ 16770.68 Million (31 March 2018 - ₹ 69045.75 Million) (31 March 2017 - ₹ 60373.47 Million) (31 March 2016 - ₹ 57123.08 Million) and others ₹ 8.38 Million (31 March 2018 - ₹ 68.30 Million) (31 March 2017 - ₹ 77.56 Million) (31 March 2016 - ₹ 23.67 Million)

ii) Aggregate amount of the transaction price (net of tax) allocated to long-term construction contracts that are partially or fully unsatisfied as at 30 June 2018 - ₹ 8505.08 Million (31 March 2018 ₹ 8518.78 Million) (31 March 2017 ₹ 9556.58 Million) (31 March 2016 ₹ 2879.75 Million). The unsatisfied performance obligation is expected to be recognised within 24 months.

iii) Revenue recognised in the three month period ended 30 June 2018 ₹ 174.45 (31 March 2018 - ₹ 286.06 Million) (31 March 2017 - ₹ 216.20 Million) (31 March 2016 - Nil) that was included in the contract liability balance as at 31 March 2018, 31 March 2017, 31 March 2016 and 31 March 2015 respectively.

iv) According to the requirements of Ind AS 18 - "Revenue", Revenue from operations for the period (01 April 2017 to 30 June 2017), year ended 31 March 2017 and 31 March 2016, are reported inclusive of Excise Duty of ₹ 1437.51 Million, ₹ 5448.89 Million and ₹ 5118.02 Million respectively. Effective 01 July 2017, the Government of India has implemented Goods and Service Tax ("GST") replacing Excise Duty, Service Tax and various other indirect taxes. The Company has collected ₹ 10623.60 Million and ₹ 2874.56 Million towards GST from its customer during the period 1 July 2017 to 31 March 2018 and 1 April 2018 to 30 June 2018 respectively. The sales inclusive of excise and GST for the three month period ended 30 June 2018 is ₹ 19645.24 Million (31 March 2018 ₹ 79669.35 Million) (31 March 2017 ₹ 60337.47 Million) (31 March 2016 ₹ 57123.08 Million) whereas the sales net of excise and GST for the three month period ended 30 June 2018 is ₹ 16770.68 million (year ended 31 March 2018 ₹ 67608.24 million) (31 March 2017 ₹ 54924.58 million and 31 March 2016 ₹ 52005.06 million).

v) Reconciliation between Revenue from operation and contracted price as per Ind AS 115:

Revenue Reconciliation	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Revenue recognised as per Statement of Profit & loss	16,779.06	69,114.05	60,451.03	57,146.75
<b>Add : Adjustments</b>				
Price adjustments such as Discounts, Rebates and Sales Promotion Schemes	237.74	1,015.30	708.40	754.51
Excess Revenue - EPC	675.40	777.00	390.76	216.20
Provision for expected sales return	56.80	(35.65)	(27.83)	185.90
Other adjustments	35.22	78.40	11.73	2.14
<b>Less : Adjustments</b>				
Unbilled Revenue - EPC	(133.56)	(140.30)	(145.49)	-
Export Incentives	(8.38)	(68.30)	(77.60)	(23.66)
<b>Contracted Price</b>	<b>17,642.28</b>	<b>70,740.50</b>	<b>61,311.00</b>	<b>58,281.84</b>

vi) Contract Balances as at:

Contract Balances	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Trade Receivables	11,268.59	13,577.89	12,207.09	13,605.15
Contract Assets	133.56	140.30	145.49	-
Contract Liabilities	675.45	777.01	390.81	216.20

**Restated Ind AS Unconsolidated Summary Statement of Other income**

	Related/Not related to normal business activity	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Recurring other income</b>					
Interest income on					
Bank deposits	Not Related	0.38	4.30	8.73	7.10
Others	Not Related	7.97	23.90	30.43	30.93
Government Grant	Related	25.70	226.15	321.65	271.08
<b>Non-Recurring other income</b>					
Miscellaneous income	Not Related	1.69	8.54	98.24	11.85
Gain on fair valuation of financial asset (refer note below)	Related	82.51	8.60	0.04	14.35
Gain on sale of fixed asset	Not Related	-	80.60	-	-
Exchange differences (net)	Related	85.05	295.20	291.87	-
		<b>203.30</b>	<b>647.29</b>	<b>750.96</b>	<b>335.31</b>

Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that did not qualify for hedge accounting and on embedded derivatives, which have been separated. Effectiveness has been recognised on foreign exchange and interest rate hedges.



Annexure XXIX

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Cost of Materials Consumed**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Copper	6824.90	27090.10	23,235.69	19,514.30
Aluminium	2458.80	8703.30	7,735.10	7,012.79
Steel	592.40	2268.30	2,169.33	1,950.02
PVC Compound/HDPE/LDPE/XLPE/Resin	1737.20	6494.90	6,580.98	5,740.76
Packing Materials	265.61	1114.10	1,091.01	1,021.74
Others	395.18	2026.30	807.12	609.91
	<b>12,274.09</b>	<b>47,697.00</b>	<b>41,619.23</b>	<b>35,849.52</b>

Annexure XXX

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Purchases of Traded Goods**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Electric wiring accessories	49.30	275.92	298.13	189.13
Electric appliance	590.00	1,993.07	1,583.61	1,424.89
Metals	-	-	-	1,191.55
Others	13.49	143.30	64.18	22.00
	<b>652.79</b>	<b>2,412.29</b>	<b>1,945.92</b>	<b>2,827.57</b>

Annexure XXXI

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of (Increase)/Decrease in Inventories of Finished goods, Traded goods and Work-in-progress**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Inventory at the beginning of the year				
Work-in-progress	1,031.50	1,263.49	977.91	1,115.04
Finished goods	6,447.30	6,883.94	4,943.57	4,355.45
Traded goods	458.70	514.05	502.08	419.34
Scrap materials	134.70	112.80	157.24	104.36
	<b>8,072.20</b>	<b>8,774.28</b>	<b>6,580.80</b>	<b>5,994.19</b>
Inventory at the end of the year / period				
Work-in-progress	1,162.61	1,031.50	1,263.49	977.91
Finished goods	6,973.49	6,447.30	6,883.94	4,943.57
Traded goods	492.97	458.70	514.05	502.08
Scrap materials	81.83	134.70	112.80	157.24
	<b>8,710.90</b>	<b>8,072.20</b>	<b>8,774.28</b>	<b>6,580.80</b>
<b>(Increase)/ Decrease in Inventories of finished goods, traded goods and work-in-progress</b>	<b>(638.70)</b>	<b>702.08</b>	<b>(2,193.48)</b>	<b>(586.61)</b>

Annexure XXXII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Project bought outs and other cost**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Project bought outs	249.13	867.73	815.98	1,421.54
Subcontracting expense	86.57	379.30	292.08	394.01
	<b>335.70</b>	<b>1,247.03</b>	<b>1,108.06</b>	<b>1,815.55</b>

Annexure XXXIII

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Employee benefits expense**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages and bonus	647.73	2,305.44	2,063.19	1,854.56
Contribution to provident and other funds (Refer Annx - XLI)	37.21	163.60	141.32	123.63
Staff welfare expense	19.89	92.50	62.09	60.75
	<b>704.83</b>	<b>2,561.54</b>	<b>2,266.60</b>	<b>2,038.94</b>

**Restated Ind AS Unconsolidated Summary Statement of Other expenses**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Consumption of stores and spares	113.19	502.30	436.10	414.80
Sub-contracting expenses	159.03	665.90	520.72	375.04
Increase/(Decrease) in excise duty on stock of finish goods	-	(741.00)	110.12	206.63
Power and fuel	216.24	835.38	845.70	818.69
Rent	36.14	154.70	122.93	103.93
Rates and taxes	2.21	19.20	54.26	65.13
Insurance	7.88	34.80	20.35	14.77
Repairs and maintenance				
Plant and machinery	20.28	40.50	48.24	79.17
Buildings	6.85	33.20	58.45	77.63
Others	54.69	195.20	113.41	102.41
Advertising and sales promotion	461.43	935.70	580.59	579.00
Brokerage and commission	83.95	390.20	237.03	249.28
Travelling and conveyance	53.67	203.90	168.02	166.99
Communication Cost	8.47	27.50	28.15	31.99
Legal and professional fees	49.38	386.90	399.62	312.38
Freight & forwarding expenses	315.94	1,239.20	1,089.75	945.19
Payment to auditor (Refer note-i)	4.40	18.50	16.62	13.74
Sundry advances written off	-	8.00	64.26	0.36
Loss on sale of fixed asset	1.55	-	1.36	14.76
Impairment allowance for trade receivable considered doubtful	78.71	421.00	324.30	359.62
(Gain)/Loss on fair valuation of financial asset	-	-	4.77	-
Fair value of written put options	-	55.00	-	-
CSR expenditure (Refer Annx - XL)	9.16	58.60	21.34	17.24
Exchange differences (net)	-	-	-	12.86
Miscellaneous expenses	48.77	214.09	218.06	201.07
	<b>1,731.94</b>	<b>5,698.77</b>	<b>5,484.15</b>	<b>5,162.68</b>
<b>Note (i)-</b>				
<b>Payments to the auditor (excluding applicable taxes):</b>				
<b>As auditor</b>				
Audit fee	4.17	17.57	15.02	13.03
Certification fees	0.23	0.93	1.60	0.50
Reimbursement of expenses	-	-	-	0.21
	<b>4.40</b>	<b>18.50</b>	<b>16.62</b>	<b>13.74</b>

**Restated Ind AS Unconsolidated Summary Statement of Finance cost**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Interest	146.81	725.30	639.98	1,282.61
Others	222.55	196.40	12.20	190.85
	<b>369.36</b>	<b>921.70</b>	<b>652.18</b>	<b>1,473.46</b>

**Restated Ind AS Unconsolidated Summary Statement of Depreciation and amortization expense**

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Depreciation of tangible assets (Refer Annx -VII)	343.40	1,278.50	1,233.69	1,077.22
Amortization of intangible assets (Refer Annx -VIII)	5.21	41.15	40.54	33.98
	<b>348.61</b>	<b>1,319.65</b>	<b>1,274.23</b>	<b>1,111.20</b>

**Restated Ind AS Unconsolidated Summary Statement of Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the period/year.

For the purpose of calculating diluted earnings per share, the net profit or losses for the period/year attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

The Company has not issued any potential equity shares during the period/year which have effect of dilution of basic earning per share and accordingly, the basic earnings per share and diluted earnings per share are the same.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Profit attributable to equity holders for basic earnings:	782.58	3,706.36	2,321.03	1,864.63
Weighted average number of equity shares for basic EPS (No. in Million)	141.21	141.21	141.21	141.21
Basic and diluted earnings per share (₹)	5.54	26.25	16.44	13.21

\*Basic EPS and Diluted EPS for the period ended June 30, 2018 are not annualised.

**Employee Stock Option Plan 2018**

Pursuant to the resolutions passed by our Board on August 30, 2018 and our Shareholders on August 30, 2018, the Company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 3.53 million Equity Shares. The company reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

**Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018**

The company also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under "Performance Scheme" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

**Restated Ind AS Unconsolidated Summary Statement of Commitments and contingencies**

**(A) Leases**

**Operating lease: Company as lessee**

The Company has taken industrial premises, residential building, land (space for godowns) under various lease agreements. There are no restrictions placed upon the Company by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Lease payment for the year/period	11.58	31.30	32.31	26.86
Within one year	45.73	41.20	29.40	25.84
After one year but not more than five years	153.91	147.05	134.21	60.54
More than five years	101.32	108.10	87.89	61.73

**(B) Capital and other commitments**

Estimated amounts of contracts remaining to be executed on account of capital commitments and not provided for (net of advances)	1,296.30	1,177.30	1,332.56	2,166.20
--	----------	----------	----------	----------

**(C) Contingent liabilities (to the extent not provided for)**

**a) Guarantees**

(i) Guarantees given by the Company's bankers on behalf of company	5,605.78	4,849.00	4830.2	4163.28
--	----------	----------	--------	---------

**b) Other matters for which the Company is contingently liable**

	Period to which relates			
(i) Taxation matters				
(a) Disputed liability in respect of sales tax /VAT demand & pending sales tax/VAT forms	2007-08 to 2016-17	352.50	359.10	252.70
(b) Disputed liability in respect of excise duty demand	2007-08 to 2014-15	45.60	45.60	107.20
(c) Disputed liability in respect of custom duty demand	2010-11 and 2011-12	15.50	15.50	15.50
(d) Disputed liability in respect of Service tax demand	-	-	4.34	-

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.

Annexure XXXIX

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Disclosure in terms of Ind AS 115 on the accounting of construction contract is as under**

	Three month ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
a) Contract revenue recognised for the period ( Net of tax)	364.06	2063.60	1534.34	2,824.75
b) Contract that are in progress as on reporting date				
(i) Contract costs incurred and recognised profits (less recognised losses)	364.06	2063.60	1534.34	2,824.75
(ii) Amount of retentions*	831.50	792.20	483.18	351.92
(iii) Recognised and included in the financial statements as :				
Contract Asset	128.50	140.30	145.49	-
Contract Liability	675.44	777.01	390.81	216.20

\*Retentions are specific to projects and are generally receivable within 6 months from the completion of project.

Annexure XL

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Details of CSR expenditure**

		Three month ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
<b>Gross amount required to be spent by the Company during the period as per provisions of section 135 of Companies Act,2013</b>	<b>A</b>	<b>20.11</b>	<b>57.93</b>	<b>42.87</b>	<b>32.69</b>
<b>Gross amount spent by the Company during the period</b>					
Rural development programmes		4.47	5.73	6.42	13.26
Social empowerment		1.09	5.80	0.20	2.62
Promotion of education		3.34	37.31	2.65	0.71
Programmes on girl's education		-	-	-	0.33
Flood relief activity		-	-	-	0.16
Health care facility & awareness		0.15	3.78	11.14	0.16
Environmental awareness		-	4.53	0.02	-
Others		0.11	1.45	0.91	-
<b>Total</b>	<b>B</b>	<b>9.16</b>	<b>58.60</b>	<b>21.34</b>	<b>17.24</b>
<b>Shortfall/(Excess)</b>	<b>A-B</b>	<b>10.95</b>	<b>(0.67)</b>	<b>21.53</b>	<b>15.45</b>

Annexure XLI

**Restated Ind AS Unconsolidated Summary Statement of Gratuity and other post-employment benefit plans**

**(A) Defined benefit plan- As per actuarial valuation**

The Company operates one defined plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

**Statement of profit and loss**

**Net employee benefits expense recognised in profit or loss:**

(₹ Million)

	Three month ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Current service cost	11.39	45.42	40.36	31.83
Net interest cost	3.57	11.90	11.23	8.36
Past service cost	-	21.18	-	-
<b>Net benefits expense</b>	<b>14.96</b>	<b>78.50</b>	<b>51.59</b>	<b>40.19</b>

**Net actuarial (gain)/ loss recognised in Other comprehensive income for the year/period:**

(₹ Million)

	Three month ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Actuarial (gain) /loss on obligations	3.75	(36.30)	3.41	35.11
Return on plan assets, excluding interest income	(7.03)	9.84	(0.99)	(2.14)
<b>Net (Income)/Expense for the year recognized in OCI</b>	<b>(3.28)</b>	<b>(26.46)</b>	<b>2.42</b>	<b>32.97</b>

**Balance sheet**

**Benefits liability**

(₹ Million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Present value of defined benefit obligation	(367.36)	(352.92)	(315.87)	(274.49)
Fair value of plan assets	191.63	170.02	151.02	130.49
<b>Plan liability</b>	<b>(175.73)</b>	<b>(182.90)</b>	<b>(164.85)</b>	<b>(144.00)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

(₹ Million)

	Three month ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Opening defined benefit obligation	352.90	315.87	274.49	184.71
Interest cost	6.88	22.81	21.41	14.74
Current service cost	11.39	45.42	40.36	31.83
Past service cost	-	21.17	-	-
Liability transferred in/acquisition	-	-	-	26.11
Benefits paid	(7.57)	(16.06)	(23.80)	(18.01)
Actuarial (gains)/losses on obligations	-	-	-	-
Due to change in financial assumptions	(12.92)	(42.30)	14.70	4.04
Due to experience	16.66	5.99	(11.29)	31.07
<b>Closing defined benefit obligation</b>	<b>367.34</b>	<b>352.90</b>	<b>315.87</b>	<b>274.49</b>

**Changes in the fair value of plan assets are as follows:**

(₹ Million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Opening fair value of plan assets	170.02	151.02	130.49	79.94
Expected return	3.32	10.92	10.18	6.37
Contribution by employer	18.86	33.98	33.15	48.06
Assets transferred in/acquisition	-	-	-	11.99
Benefits paid	(7.60)	(16.06)	(23.79)	(18.01)
Actuarial gains	7.03	(9.84)	0.99	2.14
<b>Closing fair value of plan assets</b>	<b>191.63</b>	<b>170.02</b>	<b>151.02</b>	<b>130.49</b>

The Company expects to contribute ₹ 96.48 Million to gratuity in the next year (31 March 2018: ₹ 87.80 Million ) (31 March 2017: ₹ 74.62 Million ) (31 March 2016: ₹ 73.02 Million).

**Current & non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:**

(₹ Million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Current	96.48	87.80	74.62	73.02
Non-current	79.25	95.10	90.23	70.98

Annexure XLI

**Restated Ind AS Unconsolidated Summary Statement of Gratuity and other post-employment benefit plans**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows: (₹ Million)

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Investment with insurer	100%	100%	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at 30 June 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Discount rate	8.29%	7.80%	7.22%	7.98%
Expected rate of return on plan assets	8.29%	7.80%	7.22%	7.98%
Employee turnover	10.00%	10.00%	10.00%	10.00%
Salary escalation	11.00%	11.00%	12.00%	12.00%
Mortality rate during employment	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.	N.A.

The average expected future service as at 30 June 2018 is 8 years(31 March 2018 - 8 years) (31 March 2017 - 8 years) (31 March 2016 - 8 years).

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

**(B) Defined contribution plan**

The Company has recognised expenses towards defined contribution plan as under

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Contribution to provident fund	17.56	65.13	64.17	64.51

A quantitative sensitivity analysis for significant assumption as shown below:

Sensitivity analysis

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Projected benefit obligation on current assumptions	367.36	352.92	315.87	274.49
Delta effect of +1% change in rate of discounting	(23.84)	(23.75)	(24.57)	(21.12)
Delta effect of -1% change in rate of discounting	27.33	27.33	28.61	24.58
Delta effect of +1% change in rate of salary increase	24.57	24.89	23.01	20.37
Delta effect of -1% change in rate of salary increase	(22.23)	(22.37)	(21.75)	(19.03)
Delta effect of +1% change in rate of employee turnover	(4.73)	(5.63)	(7.91)	(6.40)
Delta effect of -1% change in rate of employee turnover	5.27	6.32	8.97	7.25

Usefulness and methodology adopted for sensitivity analysis:

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Maturity analysis of projected benefit obligation from the fund.

Projected benefits payable in future years from the date of reporting.

	30 June 2018	31 March 2018	31 March 2017	31 March 2016
1st following year	50.90	48.29	29.63	25.49
2nd following year	30.41	27.73	23.59	19.64
3rd following year	30.38	28.00	23.44	22.40
4th following year	33.10	30.24	24.09	22.45
5th following year	32.42	30.67	26.07	22.76
Sum of years 6 to 10	166.46	30.67	130.71	118.03

**Restated Ind AS Unconsolidated Summary Statement of Related party disclosures:**

**Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

**Related parties where control exists**

Related parties where control exists	Nature of Relationship
Polycab Wires Italy SRL (PWISRL)	Subsidiary Company
Jaisingh Wires FZE (JWFZE)	Subsidiary Company (upto 24 October 2016)
Tirupati Reels Private Limited (TRPL)	Subsidiary Company
Dowells Cable Accessories Private Limited (DCAPL)	Subsidiary Company
Ryker Base Private Limited (Ryker)	Joint Venture (w.e.f. 31 March 2017)
Techno Electromech Private Limited (TEPL)	Joint Venture (w.e.f. 9 March 2017)

**Enterprises owned or significantly influenced by key managerial personnel**

Jaisingh Finance Private Limited (JFPL)
Microcab Industries & Logistics Private Limited (MILPL)
AK Enterprises (A.K)

**(A) Transactions with subsidiaries/fellow subsidiaries/enterprises significantly influenced**

Particulars	PWISRL				JWFZE				JFPL				MILPL				TRPL				DCAPL				A.K Enterprises				TEPL				Ryker			
	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16	Jun-18	Mar-18	Mar-17	Mar-16
Sale of goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.30	138.80	39.08	-	0.50	5.90	18.26	4.52	-	-	0.11	-	3.50	42.40	130.49	-	20.60	14.60	0.29	-
Purchase of goods	-	-	-	-	-	-	-	368.77	-	-	-	-	-	-	-	-	48.70	163.80	105.09	-	-	1.02	4.46	-	-	-	-	-	196.40	480.40	44.35	-	-	-	-	-
Commission	6.00	35.88	31.51	13.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest income	-	-	-	-	-	-	-	4.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sale of Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	127.40	
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.50	-	21.95	-	-	-	-	6.63	-	-	-	-	-	-	-	-	-	-	10.30	260.10
Advance given to related party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans given to related party	-	-	-	7.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.00	-	-	-	-	-	-	140.00	-	-	-	-	-	253.70	1.00
Loan given repaid	-	1.46	-	-	-	-	-	-	-	-	-	0.94	-	-	-	-	-	5.00	-	1.50	2.40	-	-	-	-	-	-	-	-	-	-	-	-	253.70	1.00	
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.50	1.10	-	-	-	-	-	-	4.20	4.80	-	-	-	-	5.50	-	
Balance transfer on dissolution	-	-	-	-	-	-	-	181.61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Expense incurred on behalf of others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22.50	2.19
Reimbursement of expenses recovered	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.06	-	0.70	-	-	-	-	-	-	-	-	-	22.50	-
Balances at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	30.50	30.50	31.99	31.99	-	-	-	106.90	-	-	-	-	-	-	-	-	-	-	5.00	16.10	17.60	-	-	-	-	-	-	140.00	140.00	-	-	-	-	-	5.23	-
Provision against loans	30.50	30.50	24.00	24.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	104.50	85.60	-	-	0.30	-	3.00	5.23	-	-	-	38.10	46.10	98.06	-	15.30	12.90	0.29	-	-	
Security deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.20	6.20	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121.30	66.50	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	11.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.30
Trade payables	17.10	24.00	13.07	-	-	-	-	135.08	-	-	-	-	-	-	-	39.15	19.60	6.23	-	1.00	0.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note :- Company has provided a shortfall undertaking for credit facility availed by the Ryker Base Private Limited and Tirupati Reels Private Limited, amounting to ₹ 780.50 Million and ₹ 159.10 Million respectively. The fair value of corporate guarantee ₹ 10.05 Million (31 March 2018 - ₹ 10.30 Million) (31 March 2017 - nil) (31 March 2016 - nil) has been included to caring cost of investment.

**Restated Ind AS Unconsolidated Summary Statement of Related party disclosures**

**Key management personnel**

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. R. Ramakrishnan	Chief Executive * (upto 23 May 2018)
Mr. Ramesh T. Jaisinghani	Whole time Director
Mr. Ajay T. Jaisinghani	Whole time Director
Mr. Shyam Lal Bajaj	Chief Financial officer and Whole time Director - Finance (w.e.f. 15 December 2016)
Mr. Radhey Shyam Sharma	Independent Director (w.e.f. 20 September 2018)
Mr. Tilokchand Punamchand Ostwal	Independent Director (w.e.f. 20 September 2018)
Mr. Pradeep Poddar	Independent Director (w.e.f. 20 September 2018)
Mrs. Hiroo Mirchandani	Independent Director (w.e.f. 20 September 2018)
Mr. Subramaniam Sai Narayana	Company Secretary
Mr. Rajesh Jain	Deputy Managing Director (upto 19 September 2016)
Mr. Chandrashekar Ponnuswamy	President & Group CFO (upto 15 June 2016)

\* Mr. R. Ramakrishnan was Key management personnel and Joint Managing Director of the Company till 23 May 2018.

**Relatives of Key management personnel**

Mr. Bharat A. Jaisinghani	Son of Mr. Ajay T. Jaisinghani
Mr. Girdhari T. Jaisinghani	Brother of Mr. Inder T. Jaisinghani
Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Mr. Nikhil R. Jaisinghani	Son of Mr. Ramesh T. Jaisinghani
Ms. Raju G. Jaisinghani	Wife of Mr. Girdhari T. Jaisinghani

**(B) Remuneration paid**

(₹ Million)

Name of the director/relative	Three month period ended 30 June 2018	Outstanding at the period end	Year ended 31 March 2018	Outstanding at the year end	Year ended 31 March 2017	Outstanding at the year end	Year ended 31 March 2016	Outstanding at the year end
Mr. Bharat A. Jaisinghani	2.68	2.80	10.83	2.35	7.95	1.88	6.59	1.05
Mr. Nikhil R. Jaisinghani	2.68	2.80	10.83	2.35	7.95	1.88	6.58	1.05
Mr. Girdhari T. Jaisinghani	2.15	2.47	8.95	2.07	7.13	1.65	6.04	1.05
Mr. Kunal Jaisinghani	0.31	-	1.20	-	0.67	-	0.45	-

**(C) Rent paid**

(₹ Million)

	Three months period ended 30 June 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Mr. Inder T. Jaisinghani	-	-	0.10	0.10

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the three months period ended 30 June 2018, since there is no outstanding as on 30 June 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: NIL) (31 March 2017: NIL) (31 March 2016: 52.3 Million). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**Restated Ind AS Unconsolidated Summary Statement of Related party disclosures**

**(D) Remuneration of key management personnel (KMP)**

Remuneration paid for the three months period ended 30 June 2018 and outstanding as on 30 June 2018 to key managerial personnels are:

(₹ Million)

	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	for three months period ended	Outstanding at the period end	for the year	Outstanding at the year end	For the Year	Outstanding at the year end	For the Year	Outstanding at the year end
Mr. Inder T. Jaisinghani	15.68	51.18	68.08	35.48	56.60	30.54	50.84	16.50
Mr. Ramesh T. Jaisinghani	6.27	12.09	29.90	10.48	25.20	14.29	22.07	4.66
Mr. Ajay T. Jaisinghani	6.27	12.09	29.90	10.48	25.20	14.29	21.94	4.66
Mr. R. Ramakrishnan	3.58	9.52	31.20	8.14	31.27	31.39	25.10	19.15
Mr. Shyam Lal Bajaj	5.80	10.80	22.80	5.00	6.85	2.67	-	-
Mr. Subramaniam Sai Narayana	0.78	0.78	2.60	0.19	2.54	0.49	2.30	0.12
Mr. Rajesh Jain	-	-	-	-	10.50	0.35	20.42	4.16
Mr. Chandrashekar Ponnuswamy	-	-	-	-	-	-	12.50	1.08
<b>Total</b>	<b>38.37</b>	<b>96.46</b>	<b>184.48</b>	<b>69.77</b>	<b>158.16</b>	<b>94.02</b>	<b>155.17</b>	<b>50.33</b>

-As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

**Restated Ind AS Unconsolidated Summary Statement of List of subsidiaries & joint venture**

Set out below is the list of subsidiaries and joint ventures

	Nature	Country of incorporation	Ownership interest (%)			
			30 June 2018	31 March 2018	31 March 2017	31 March 2016
Polycab Wires Italy SRL	Subsidiary	Italy	100%	100%	100%	100%
Tirupati Reels Private Limited	Subsidiary	India	55%	55%	55%	55%
Dowells Cable Accessories Private Limited	Subsidiary	India	51%	51%	51%	51%
Ryker Base Private Limited #	Joint Venture	India	50%	50%	50%	-
Techno Electromech Private Limited @	Joint Venture	India	50%	50%	50%	-
Jaisingh Wires FZE UAE~	Subsidiary	Dubai	~	~	~	100%

The principal place of business of all the entities listed above is the same as the respective country of incorporation.

(a) # Joint venture w.e.f. 31 March 2017.

(b) @ Joint venture w.e.f. 9 March 2017.

(c) ~Entity closed/deregistered w.e.f. 24 October 2016.

**Restated Ind AS Unconsolidated Summary Statement of Segment information**

**Basis for segmentation**

The Company is primarily engaged in the business of manufacture and sale of electric wires and cables. The Company has identified business segments as primary segments, namely electric wires and cables, Fast moving electrical goods & others business. All operating segments' operating results are reviewed regularly by the Company's senior management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has three reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's senior management team reviews internal management reports on periodical basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segments	Operations
Wires & Cables	- Manufacture and sale of electric wires and cables.
Fast moving electrical goods (FMEG)	- Electric consumer durable business comprises of business covering electric wiring accessories and electric appliances.
Others	- Other business comprises EPC business which includes design, engineering, supply, execution and commissioning of power distribution & rural electrification projects.

**Information about reportable segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's senior management team. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

**(A) Primary segment reporting (by business segment)**

Particulars	Three month period ended 30 June 2018					Year ended 31 March 2018					Year ended 31 March 2017					Year ended 31 March 2016					
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total	
<b>Income</b>																					
External sales	15,128.95	1,481.00	364.06	-	16,974.01	62,723.61	4,942.53	2,067.00	-	69,733.14	56,244.66	3,383.83	1,534.34	-	61,162.83	52,638.42	1,980.86	2,824.75	-	57,444.03	
Inter segment revenue	87.15	-	-	(87.15)	-	582.00	-	-	(582.00)	-	629.10	-	-	(629.10)	-	496.51	-	-	(496.51)	-	
<b>Total income</b>	<b>15,216.10</b>	<b>1,481.00</b>	<b>364.06</b>	<b>(87.15)</b>	<b>16,974.01</b>	<b>63,305.61</b>	<b>4,942.53</b>	<b>2,067.00</b>	<b>(582.00)</b>	<b>69,733.14</b>	<b>56,873.76</b>	<b>3,383.83</b>	<b>1,534.34</b>	<b>(629.10)</b>	<b>61,162.83</b>	<b>53,134.93</b>	<b>1,980.86</b>	<b>2,824.75</b>	<b>(496.51)</b>	<b>57,444.03</b>	
<b>Segment Results</b>																					
Segment/Operating results	1,436.64	137.71	(9.60)	-	1,564.75	6,458.45	150.12	48.70	-	6,657.27	3,969.29	34.74	205.20	-	4,209.23	3,896.85	(202.35)	412.65	-	4,107.15	
<b>Un-allocated items:</b>																					
Financial income	-	-	-	-	8.35	-	-	-	-	28.20	-	-	-	-	39.16	-	-	-	-	38.03	
Finance costs	-	-	-	-	369.36	-	-	-	-	921.70	-	-	-	-	652.18	-	-	-	-	1,473.46	
<b>Profit before tax</b>					<b>1,203.74</b>					<b>5,763.77</b>					<b>3,596.21</b>					<b>2,671.73</b>	
Provision for taxation	-	-	-	-	421.16	-	-	-	-	2,057.41	-	-	-	-	1,275.18	-	-	-	-	807.10	
<b>Profit for the year / period</b>					<b>782.58</b>					<b>3,706.36</b>					<b>2,321.03</b>					<b>1,864.63</b>	
<b>Other Information</b>																					
Segment assets	37,315.74	3913.34	3196.1	-	44,425.18	35,367.69	4,066.27	3,584.91	-	43,018.88	38,897.05	2,828.64	2,338.50	-	44,064.19	33,094.57	2,273.35	2,389.91	-	37,757.83	
Un-allocated assets	-	-	-	-	835.57	-	-	-	-	995.97	-	-	-	-	1,283.30	-	-	-	-	738.00	
<b>Total assets</b>					<b>45,260.75</b>					<b>44,014.85</b>					<b>45,347.50</b>					<b>38,495.82</b>	
Segment liabilities	13,162.07	506.4	2382.8	-	16,051.27	13,041.73	286.99	2,759.28	-	16,088.01	15,181.91	330.10	1,548.90	-	17,060.91	11,147.61	102.79	1,601.49	-	12,851.89	
Un-allocated liabilities & provisions	-	-	-	-	4,930.82	-	-	-	-	4,432.90	-	-	-	-	8,346.35	-	-	-	-	7,853.19	
<b>Total liabilities</b>					<b>20,982.09</b>					<b>20,520.91</b>					<b>25,407.26</b>					<b>20,705.08</b>	
Depreciation & Amortisation expenses	329.80	18.7	0.1	-	348.61	1,244.38	74.71	0.56	-	1,319.65	1,239.73	34.40	0.10	-	1,274.23	1,090.80	20.38	0.02	-	1,111.20	
Total cost incurred during the year / period to acquire segment assets	527.56	237.50	-	-	765.07	1,499.67	202.45	-	-	1,702.12	2,576.10	166.00	-	-	2,742.10	2,738.10	465.77	0.73	-	3,204.60	

**(B) Secondary segment information**

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India)

(₹ Million)

Particulars	Three month period ended 30 June 2018			Year ended 31 March 2018			Year ended 31 March 2017			Year ended 31 March 2016		
	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue	16,527.43	446.58	16,974.01	66,142.36	3,590.78	69,733.14	57,672.53	3,490.30	61,162.83	54,371.63	3,072.40	57,444.03
Segment assets	43,965.23	459.95	44,425.18	43,325.13	689.72	44,014.85	44,768.70	578.80	45,347.50	37,860.60	635.23	38,495.82
Capital expenditure incurred	765.07	-	765.07	1,702.12	-	1,702.12	2,742.10	-	2,742.10	3,204.60	-	3,204.60

**Restated Ind AS Unconsolidated Summary Statement of Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value				Fair value			
	30 June 2018	31 March 2018	31 March 2017	31 March 2016	30 June 2018	31 March 2018	31 March 2017	31 March 2016
(₹ Million)								
<b>Financial assets at fair value through profit or loss account (FVTPL)</b>								
Units of mutual funds	1.20	1.40	1.14	0.87	1.20	1.40	1.14	0.87
<b>Financial assets at amortised cost</b>								
Trade receivables	958.75	880.00	483.18	351.92	958.75	880.00	483.18	351.92
Other financial assets	57.79	57.40	57.42	38.39	57.79	57.40	57.42	38.39
<b>Derivatives not designated as hedges</b>								
Interest rate and cross currency swap	15.43	3.30	-	-	15.43	3.30	-	-
Foreign exchange forward contracts	6.80	-	-	14.27	6.80	-	-	14.27
<b>Total</b>	<b>1,039.97</b>	<b>942.10</b>	<b>541.74</b>	<b>405.45</b>	<b>1,039.97</b>	<b>942.10</b>	<b>541.74</b>	<b>405.45</b>
<b>Financial liabilities at amortised cost</b>								
Borrowings - ECB from HSBC	914.34	1,084.10	1,296.71	663.33	914.34	1,084.10	1,296.71	663.33
Borrowings - Term loan from Citi bank	1,101.68	1,137.30	572.86	331.00	1,101.68	1,137.30	572.86	331.00
Embedded derivative	306.99	278.87	214.60	34.92	306.99	278.87	214.60	34.92
<b>Derivatives not designated as hedges</b>								
Foreign exchange forward contracts	-	11.50	77.27	23.82	-	11.50	77.27	23.82
Interest rate & cross currency swap	-	-	5.04	-	-	-	5.04	-
Fair value of written put options	55.00	55.00	-	-	55.00	55.00	-	-
<b>Total</b>	<b>2,378.01</b>	<b>2,566.77</b>	<b>2,166.48</b>	<b>1,053.07</b>	<b>2,378.01</b>	<b>2,566.77</b>	<b>2,166.48</b>	<b>1,053.07</b>

Interest rate swaps, foreign exchange forward contracts and embedded commodity derivative are valued using valuation techniques, which employ the use of market observable inputs (closing rates of foreign currency and commodities).

Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from purchase contracts.

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

Fixed-rate and variable-rate loans are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The non-performance risk as at 30 June 2018 was assessed to be insignificant.

The fair values of the mutual funds are based on NAV at the reporting date.

The fair value of interest rate swaps are based on MTM bank rates as on reporting date.

The fair value of put option is determined using Monte Carlo Simulation which assumes a Geometric Brownian Motion for the modelling equity value.

The key assumptions used for fair valuation of Put option are :-

- Cost of Equity – 18.5% - 19.5%
- WACC – 12.5% - 13.00%
- Terminal growth rate – 2.5%

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. Mark-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

**Restated Ind AS Unconsolidated Summary Statement of Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2018:** (₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	30 June 2018	1.20	-	1.20	-
Interest rate swap	30 June 2018	15.43	-	15.43	-
Foreign exchange forward contracts	30 June 2018	6.80	-	6.80	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Fair value of written put options	30 June 2018	55.00	-	-	55.00

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2018:** (₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2018	1.40	-	1.40	-
Interest rate swap	31 March 2018	3.30	-	3.30	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Foreign exchange forward contracts	31 March 2018	11.50	-	11.50	-
Fair value of written put options	31 March 2018	55.00	-	-	55.00

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017:** (₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2017	1.14	-	1.14	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Foreign exchange forward contracts	31 March 2017	77.27	-	77.27	-
Interest rate swap	31 March 2017	5.04	-	5.04	-

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2016:** (₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Units of mutual funds	31 March 2016	0.87	-	0.87	-
<b>Derivative financial assets:</b>					
Foreign exchange forward contracts	31 March 2016	14.27	-	14.27	-
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities :</b>					
Foreign exchange forward contracts	31 March 2016	23.82	-	23.82	-

**Restated Ind AS Unconsolidated Summary Statement of Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a fixed and variable rate loans and borrowings. The Company's approach is to keep its majority of borrowings at fixed rates of interest for long term funding. The Company also enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 30 June 2018, after taking into account the effect of interest rate swaps, approximately 80% of the Company's borrowings are at a fixed rate of interest (31 March 2018: 96%) (31 March 2017: 93%) (31 March 2016: 79%).

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ millions)			
	Exposure to interest rate risk	Increase/decrease in basis points	Effect on profit before tax
<b>30 June 2018</b>	<b>1,300.22</b>		
Increase		+100	(13.00)
Decrease		-100	13.00
<b>31 March 2018</b>	<b>875.21</b>		
Increase		+100	(8.75)
Decrease		-100	8.75
<b>31 March 2017</b>	<b>619.91</b>		
Increase		+100	(6.20)
Decrease		-100	6.20
<b>31 March 2016</b>	<b>1,656.60</b>		
Increase		+100	(16.57)
Decrease		-100	16.57

Polycab India Limited (formerly known as 'Polycab Wires Limited')

(Amounts in INR million, unless otherwise stated)

Annexure XLVI I

**Restated Ind AS Unconsolidated Summary Statement of Financial risk management objectives and policies**

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's borrowings in foreign currency.

To some extent the Company manages its foreign currency risk by hedging transactions.

Particulars of unhedged foreign currency exposures as at the reporting date:

Currency	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	Foreign currency	(₹ Million)	Foreign currency (Million)	(₹ Million)	Foreign currency (Million)	(₹ Million)	Foreign currency (Million)	(₹ Million)
Euro	(1.97)	(157.26)	(3.02)	(243.60)	(2.86)	(197.81)	(1.95)	(146.22)
USD	(57.85)	(3,696.41)	(68.49)	(4,455.13)	(60.28)	(3,908.72)	(53.19)	(3,528.56)
GBP	0.28	25.05	0.12	11.19	0.40	31.95	1.21	114.92
CHF	-	-	-	-	(0.94)	(60.86)	-	-

Figures shown in bracket represent payable.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP and CHF exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

**Impact on profit before tax and equity**

Currency	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	+2%	-2%	+2%	-2%	+2%	-2%	+2%	-2%
	Euro	(3.15)	3.15	(4.87)	4.87	(3.96)	3.96	(2.92)
USD	(73.93)	73.93	(89.10)	89.10	(78.17)	78.17	(70.57)	70.57
GBP	0.50	(0.50)	0.22	(0.22)	0.64	(0.64)	2.30	(2.30)
CHF	-	-	-	-	(1.20)	1.20	-	-

Figures shown in bracket represent payable

**(iii) Commodity price risk**

The Company's exposure to price risk of copper and aluminium also arises from trade payables of the Company where the prices are linked to LME. Payment is therefore sensitive to changes in copper and aluminium prices. The trade payables are classified in the balance sheet as fair value through profit or loss. The option to fix prices are at future unfixed LME prices to hedge against potential losses in value of inventory of copper and aluminium held by the Company. With effect from 1 April 2016, the Company applies fair value hedge for the copper and aluminium purchased whose price is to be fixed in future. Therefore, there is no impact of the fluctuation in the price of the copper and aluminium on the Company's profit for the three month period ended 30 June 2018 to the extent of inventory on hand.

Sensitivity analysis for open contracts for the three month period ended 30 June 2018, year ended 31 March 18, 31 March 17 and 31 March 16 are as follows:

Exposure of Company in respective commodities at period end								
	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million
Copper	988.92	451.36	310.19	142.06	-	-	16,608.83	5,507.23
Aluminium	899.34	151.03	-	-	3,322.00	415.80	8,779.50	900.59

The following table shows the effect of price changes in commodities:

**Impact on profit before tax and equity**

	30 June 2018		31 March 2018		31 March 2017		31 March 2016	
	+2%	-2%	+2%	-2%	+2%	-2%	+2%	-2%
	Copper	9.03	(9.03)	2.84	(2.84)	-	-	110.14
Aluminium	3.02	(3.02)	-	-	8.30	(8.30)	18.01	(18.01)

**Restated Ind AS Unconsolidated Summary Statement of Financial risk management objectives and policies**

**(B) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**(i) Trade receivables**

Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Company's historical data of delay in collection of amounts due from customers and default by the customers alongwith management's estimates.

**(C) Liquidity risk**

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ Million)

	< 1 year	> equal to 1 year	Total
<b>Three month period ended 30 June 2018</b>			
Borrowings	4,807.66	1,246.32	6,053.98
Other financial liabilities	1,260.06	-	1,260.06
Trade and other payables	10,893.30	-	10,893.30
	<b>16,961.02</b>	<b>1,246.32</b>	<b>18,207.34</b>

(₹ Million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2018</b>			
Borrowings	5,669.00	1,517.70	7,186.70
Other financial liabilities	1,137.50	-	1,137.50
Trade and other payables	9,144.81	-	9,144.81
	<b>15,951.31</b>	<b>1,517.70</b>	<b>17,469.01</b>

(₹ Million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2017</b>			
Borrowings	6,573.71	1,535.78	8,109.49
Other financial liabilities	780.56	-	780.56
Trade and other payables	13,514.24	-	13,514.24
	<b>20,868.51</b>	<b>1,535.78</b>	<b>22,404.29</b>

(₹ Million)

	< 1 year	> equal to 1 year	Total
<b>Year ended 31 March 2016</b>			
Borrowings	6,947.88	994.33	7,942.21
Other financial liabilities	307.84	-	307.84
Trade and other payables	10,687.31	-	10,687.31
	<b>17,943.03</b>	<b>994.33</b>	<b>18,937.36</b>

**Restated Ind AS Unconsolidated Summary Statement of Hedging activity and derivatives**

**Fair value hedge of copper and aluminium price risk in inventory**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

The Company enters into contracts to purchase copper and aluminium wherein the Company has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold.

To test the hedge effectiveness between embedded derivatives and LME prices of Copper and Aluminium, the Company uses the said prices during a stipulated time period and compares the fair value of embedded derivative against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative is identical to the LME price of Copper and Aluminium. The hedge ineffectiveness can arise from the difference in timing of embedded derivative and LME strike price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in copper and aluminium prices.

Hedging instrument - Changes in fair value of the embedded derivative of copper and aluminium trade payables, as described above.

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge	Ineffective portion of Hedge
	Assets	Liabilities	Assets	Liabilities					
Hedged item - inventory of Copper and aluminium	-	(254.98)	-	-	Range within 3 months	1:1	Inventory	(254.98)	(52.01)
Hedging instrument: - Embedded derivative in trade payables of Copper and aluminium	-	-	306.99	-	Range within 3 months	1:1	Trade Payable		

Figures shown in bracket represent payable

**Restated Ind AS Unconsolidated Summary Statement of Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 40% and 60%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	(₹ Million)			
	30 June 2018	31 March 2018	31 March 2017	31 March 2016
Borrowings (Refer Annx -XIX & XXIII A)	6,053.99	7,186.70	8,109.49	7,942.21
Trade payables (Refer Annx - XXIII B)	10,893.30	9,144.81	13,514.24	10,687.31
Other payables (Refer Annx - XXIII C)	1,260.06	1,137.50	780.56	307.84
Less: cash and cash equivalents (Annx XIII B)	(104.08)	(67.50)	(213.92)	(259.97)
<b>Net debt</b>	<b>18,103.27</b>	<b>17,401.51</b>	<b>22,190.37</b>	<b>18,677.39</b>
Equity	24,278.66	23,493.94	19,940.24	17,790.74
Total capital	24,278.66	23,493.94	19,940.24	17,790.74
<b>Capital and net debt</b>	<b>42,381.93</b>	<b>40,895.46</b>	<b>42,130.61</b>	<b>36,468.13</b>
Gearing ratio	43%	43%	53%	51%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the three month period ended 30 June 2018, year ended 31 March 2018, 31 March 2017 and 31 March 2016.



**Restated Ind AS Unconsolidated Summary Statement of Capital Gearing Ratio**

Particulars	Pre-Issue as at 30 June 2018	As adjusted for issue (Refer note 2 below)
<b>Debt:</b>		
<b>Non-current borrowings</b>		
Non-current portion (A)	1,246.32	
Current maturities (B)	769.70	
<b>Total Non-current borrowings (C) = (A + B)</b>	<b>2,016.02</b>	
<b>Current borrowings (D)</b>	<b>4,807.66</b>	
<b>Total debt (E) = (C) + (D)</b>	<b>6,823.68</b>	
<b>Shareholders Funds:</b>		
Equity share capital	1,412.06	
Other equity (as restated)	22,866.60	
<b>Total Shareholders funds (F)</b>	<b>24,278.66</b>	
<b>Total Debt (E)/ (Total Shareholders funds (F)+ Total Debt(E))</b>	<b>0.22</b>	

**Notes:**

- The above has been computed on the basis of the Restated Ind AS Unconsolidated Summary Statements of Assets and Liabilities of the Company.
- 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.
- The above statement should be read with the Notes to the Restated Ind AS Unconsolidated Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Unconsolidated Financial Statements - Annexure VI.

**Restated Ind AS Unconsolidated Summary Statement of Tax shelter**

Particulars		Three months period ended	for the year ended				
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
		IND AS	IND AS	IND AS	IND AS	Previous GAAP*	Previous GAAP*
Restated profit before taxes	A	1,203.74	5,763.77	3,596.21	2,671.73	2,342.79	1,329.38
Statutory tax rate	B	34.94%	34.61%	34.61%	34.61%	33.99%	33.99%
Tax at Statutory Rate (A*B)	C	420.63	1,994.84	1,244.65	924.68	796.31	451.86
<b>Adjustment for permanent differences</b>							
Interest on delay payment on tax		-	70.30	25.33	6.00	40.80	10.65
Loss /(profit) on Sale of Asset		-	(80.60)	1.36	14.76	9.85	39.04
Disallowances u/s 37 - Corporate Social Responsibility		9.16	58.60	21.34	17.24	0.34	-
Deduction u/s 80-IA		(20.60)	(82.50)	(69.20)	(67.28)	(57.59)	-
Investment allowances u/s 32AC		-	-	(224.59)	(152.32)	(79.50)	-
Other expenses disallowed/ (Other income not chargeable) as per Income Tax Act, 1961		-	9.25	(94.85)	(236.86)	1.64	(0.54)
<b>Total permanent differences</b>	D	<b>(11.44)</b>	<b>(24.95)</b>	<b>(340.61)</b>	<b>(418.46)</b>	<b>(84.46)</b>	<b>49.15</b>
<b>Adjustment for Timing Differences</b>							
Difference between book depreciation (restated) and tax depreciation		(20.61)	(103.10)	(108.40)	(100.80)	(40.42)	(41.81)
Bad debts written offs		73.68	267.90	72.30	(1.05)	197.51	22.70
Provision for Doubtful advances		-	6.50	-	-	-	-
Provision for employee benefit expenses- Disallowance of Gratuity under Section 40A(7) & Leave encashment, bonus and other disallowed under section 43B of Income-tax Act, 1961 (net)		-	184.60	(993.15)	49.33	18.34	103.11
Unabsorbed depreciation and carried forward losses							(480.49)
Other deductions		27.19	179.66	84.20	(19.20)	22.27	(0.36)
<b>Total timing differences</b>	E	<b>80.26</b>	<b>535.56</b>	<b>(945.05)</b>	<b>(71.72)</b>	<b>197.70</b>	<b>(396.85)</b>
Net Adjustments (D+E)	F	68.82	510.61	(1,285.66)	(490.18)	113.24	(347.70)
Tax expense/ (saving) thereon (F*B)	G	24.06	176.75	(444.97)	(169.66)	38.49	(118.18)
Mat credit entitlement							
Current Tax (C+G)	H	444.69	2,171.59	799.68	755.03	834.80	333.68
<b>Calculation of MAT</b>							
Taxable income (Book Profits) as per MAT	I	1,277.42	6,004.02	3,879.64	2,671.47	2,581.10	1,362.73
MAT Rate (%)	J	21.34%	21.34%	21.34%	21.34%	19.06%	21.34%
Tax liability as per MAT (I*J)	K	272.62	1,281.35	827.98	570.13	491.96	290.81
Current tax (higher of H or K)	L	444.69	2,171.59	827.98	755.03	834.80	333.68
Deferred tax	M	(23.53)	(114.18)	447.20	52.07	(63.03)	141.36
Total tax expenses ( L+M)	N	421.16	2,057.41	1,275.18	807.10	771.77	475.04
Deferred tax on Other Comprehensive Income	O	1.14	9.20	(0.84)	(11.41)	-	-

\* The summary statement of Tax Shelter has been included in both Ind AS and previous GAAP Unconsolidated summary statement financial for showing the tax impact of each of the years ended 31 March 2014 to 31 March 2018 and three months period ended 30 June 2018.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure L**

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Capital Gearing Ratio**

Particulars	Pre-Issue as at 30 June 2018	As adjusted for issue (Refer note 2 below)
<b>Debt:</b>		
Non-current borrowings		
Non-current portion (A)	1,246.32	
Current maturities (B)	769.70	
Total Non-current borrowings (C) = (A + B)	2,016.02	
Current borrowings (D)	4,807.66	
Total debt (E) = (C) + (D)	6,823.68	
<b>Shareholders Funds:</b>		
Equity share capital	1,412.06	
Other equity (as restated)	22,866.60	
Total Shareholders funds (F)	24,278.66	
Total Debt (E)/ (Total Shareholders funds (F)+ Total Debt(E))	0.22	

**Notes:**

1. The above has been computed on the basis of the Restated Ind AS Unconsolidated Summary Statements of Assets and Liabilities of the Company.

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. The above statement should be read with the Notes to the Restated Ind AS Unconsolidated Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Unconsolidated Financial Statements - Annexure VI.

**Annexure LI**

(₹ Million)

**Restated Ind AS Unconsolidated Summary Statement of Tax shelter**

Particulars		Three months period ended	for the year ended				
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
		IND AS	IND AS	IND AS	IND AS	Previous GAAP*	Previous GAAP*
Restated profit before taxes	A	1,203.74	5,763.77	3,596.21	2,671.73	2,342.79	1,329.38
Statutory tax rate	B	34.94%	34.61%	34.61%	34.61%	33.99%	33.99%
Tax at Statutory Rate (A*B)	C	420.63	1,994.84	1,244.65	924.68	796.31	451.86
<b>Adjustment for permanent differences</b>							
Interest on delay payment on tax		-	70.30	25.33	6.00	40.80	10.65
Loss /(profit) on Sale of Asset		-	(80.60)	1.36	14.76	9.85	39.04
Disallowances u/s 37 - Corporate Social Responsibility		9.16	58.60	21.34	17.24	0.34	-
Deduction u/s 80-IA		(20.60)	(82.50)	(69.20)	(67.28)	(57.59)	-
Investment allowances u/s 32AC		-	-	(224.59)	(152.32)	(79.50)	-
Other expenses disallowed/ (Other income not chargeable) as per Income Tax Act, 1961		-	9.25	(94.85)	(236.86)	1.64	(0.54)
<b>Total permanent differences</b>	D	(11.44)	(24.95)	(340.61)	(418.46)	(84.46)	49.15
<b>Adjustment for Timing Differences</b>							
Difference between book depreciation (restated) and tax depreciation		(20.61)	(103.10)	(108.40)	(100.80)	(40.42)	(41.81)
Bad debts written offs		73.68	267.90	72.30	(1.05)	197.51	22.70
Provision for Doubtful advances		-	6.50	-	-	-	-
Provision for employee benefit expenses- Disallowance of Gratuity under Section 40A(7) & Leave encashment, bonus and other disallowed under section 43B of Income-tax Act, 1961 (net)		-	184.60	(993.15)	49.33	18.34	103.11
Unabsorbed depreciation and carried forward losses							(480.49)
Other deductions		27.19	179.66	84.20	(19.20)	22.27	(0.36)
<b>Total timing differences</b>	E	80.26	535.56	(945.05)	(71.72)	197.70	(396.85)
Net Adjustments (D+E)	F	68.82	510.61	(1,285.66)	(490.18)	113.24	(347.70)
Tax expense/ (saving) thereon (F*B)	G	24.06	176.75	(444.97)	(169.66)	38.49	(118.18)
Mat credit entitlement							
Current Tax (C+G)	H	444.69	2,171.59	799.68	755.03	834.80	333.68
<b>Calculation of MAT</b>							
Taxable income (Book Profits) as per MAT	I	1,277.42	6,004.02	3,879.64	2,671.47	2,581.10	1,362.73
MAT Rate (%)	J	21.34%	21.34%	21.34%	21.34%	19.06%	21.34%
Tax liability as per MAT (I*J)	K	272.62	1,281.35	827.98	570.13	491.96	290.81
Current tax (higher of H or K)	L	444.69	2,171.59	827.98	755.03	834.80	333.68
Deferred tax	M	(23.53)	(114.18)	447.20	52.07	(63.03)	141.36
Total tax expenses (L+M)	N	421.16	2,057.41	1,275.18	807.10	771.77	475.04
Deferred tax on Other Comprehensive Income	O	1.14	9.20	(0.84)	(11.41)	-	-

\* The summary statement of Tax Shelter has been included in both Ind AS and previous GAAP Unconsolidated summary statement financial for showing the tax impact of each of the years ended 31 March 2014 to 31 March 2018 and three months period ended 30 June 2018.

## Restated Ind AS Unconsolidated Summary Statement of Dividend Paid

Particulars	Three months period ended	for the year ended		
	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Equity shares</b>				
Number of shares (in million)	141.21	141.21	141.21	141.21
Rate of dividend (%)	-	10.0%	10.0%	17.5%
Dividend per share (Interim and final)	-	1	1	1.75
Amount of dividend	-	141.21	141.21	247.11
Dividend distribution tax	-	28.75	28.75	50.31

## Annexure LIII

## Restated Ind AS Unconsolidated Summary Statement of Accounting Ratios

Particulars	Three months period ended	for the year ended		
	30 June 2018	31 March 2018	31 March 2017	31 March 2016
<b>Accounting ratios</b>				
<b>Earnings Per Share (EPS) - Basic and Diluted</b>				
Restated Profit after tax	782.58	3706.36	2321.03	1864.63
Weighted average number of equity shares (in million)	141.21	141.21	141.21	141.21
EPS (in ₹) - Basic and Diluted*	5.54	26.25	16.44	13.21
<b>Return on Net Worth</b>				
Restated Profit for the year/period	782.58	3,706.36	2,321.03	1,864.63
Net worth at the end of the year /period	24,278.66	23,493.94	19,940.24	17,790.74
Return on Net Worth (%)#	12.89%	15.78%	11.64%	10.48%
<b>Net Asset Value Per Equity Share</b>				
Net worth at the end of the year/period	24,278.66	23,493.94	19,940.24	17,790.74
Number of equity shares outstanding at the end of the year/period (in million)	141.21	141.21	141.21	141.21
Net Asset Value Per Equity Share (in ₹)	171.94	166.38	141.21	125.99

\*Basic EPS and Diluted EPS for the period ended June 30, 2018 are not annualised

# Return on net worth % disclosed in above table is annualised. The return on net worth % for the three month period ended June 30, 2018 is 3.22% (not annualised).

## Notes:

- The figures disclosed above are based on the Restated Ind AS unconsolidated Financial Information.
- The above statement should be read with the Notes to the Restated Ind AS unconsolidated Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS unconsolidated Financial Statements - Annexure V.
- The ratios have been computed as below:

$$\text{a) Basic and diluted Earnings per share (₹)} = \frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year/period}}$$

$$\text{b) Return on net worth (\%)} = \frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year/period}}$$

$$\text{c) Net asset value per share (₹)} = \frac{\text{Restated net worth at the end of the year/period}}{\text{Total number of equity shares outstanding at the end of the year/period}}$$

4. Net worth includes Equity share capital, Securities Premium, Retained earnings and Other reserves

5. Earnings per share calculations are in accordance with Ind-AS 33 - Earnings per share.

Annexure LIV

---

**Restated Ind AS Unconsolidated Summary Statement of Provision for investment and loan to subsidiary**

---

As at 30 June 2018, the Company has investment of Euro 0.15 Million (₹ 10.89 Million) and loan of Euro 0.39 Million ( ₹ 30.50 Million) in Polycab Italy SRL (PWISRL), a wholly owned subsidiary company situated in Italy.

PWISRL in its financial statement had appropriated an amount of Euro 0.04 Million (₹2.80 Million) from Share Capital and Euro 0.44 Million (₹ 35.30 Million) from loan given by the Company, to accumulated losses of previous years and Capital Reduction Reserve to comply with the applicable Italian accounting requirements in an earlier year.

The company is in the process of filing a fresh (as directed by Reserve Bank of India) compounding application with Reserve Bank of India for regularisation of said appropriation. Considering the status, no adjustment is made in the financial statements for the three months period ended 30 June 2018.

Annexure LV

---

**Restated Ind AS Unconsolidated Summary Statement for Impact of Ind AS 115**

---

Ind AS 115 " Revenue from Contracts with Customers" is mandatory for reporting periods beginning on or after 1 April 2018 and has replaced existing Ind AS related thereto. The Company has adopted the modified retrospective approach under the standard. Under this approach, no adjustments were required to be made to the retained earning as at 1 April , 2018. Also the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related Items In the financial results for the three month ended 30 June 2018

Annexure LVI

---

**Restated Ind AS Unconsolidated Summary Statement of Others**

---

Figures relating to previous years have been regrouped wherever necessary to make them comparable with the current year figures.  
Figures representing ₹ 0.00 Million is below ₹ 5,000.

---

As per our report of even date  
For S R B C & CO LLP

Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

Place: Mumbai  
Date : October 24, 2018

S S Narayana  
Company Secretary  
Membership No. F5221

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

Place: Mumbai  
Date : October 24, 2018

Auditors' Report on the Restated Unconsolidated Summary Statement of Assets and Liabilities as at March 31, 2015 and 2014 and Restated Unconsolidated Summary Statement of Profit and Loss and Restated Unconsolidated Summary Statement of Cash Flows for each of the years ended March 31, 2015, and 2014 of Polycab India Limited (Formerly known as Polycab Wires Limited) (collectively, the "Restated Previous GAAP Unconsolidated Summary Statements")

To

The Board of Directors

Polycab India Limited (formerly known as Polycab Wires Limited),

E-554, Greater Kailash -II,

South Delhi,

New Delhi - 110048

India

Dear Sirs,

1. We, S R B C & CO LLP, Chartered Accountants, ("we" or "us" or "SRBC") have examined the attached Restated Previous GAAP Unconsolidated Summary Statements of Polycab India Limited (formerly known as Polycab Wires Limited) (the "Company") as at and for each of the years ended March 31, 2015 and 2014 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 of equity shares of face value of Rs 10 each ("IPO"). The Restated Previous GAAP 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. Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); 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 Previous GAAP Unconsolidated Summary Statements

2. The preparation of the Restated Previous GAAP Unconsolidated Summary Statements, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Previous GAAP Unconsolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Previous GAAP Unconsolidated Summary Statements taking into consideration:
  - a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 6, 2018 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 "Guidance Note"); and

- c. the requirements of Section 26 of the Act 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 management has informed that the Company proposes to make an IPO, which comprises of fresh issue of equity shares, having a face value of Rs 10 each, and an offer for sale by certain selling shareholders of existing equity shares of Rs 10 each at such premium, arrived by the book building process (referred to as the "Offer"), as may be decided by the Company's Board of Directors.

Restated Previous GAAP Unconsolidated Summary Statements as per audited Unconsolidated financial statements:

5. The Restated Previous GAAP Unconsolidated Summary Statements have been compiled by the management from the audited unconsolidated financial statements of the Company as at and for each of the years ended March 31 2015 and 2014, and which were prepared in accordance with accounting principles generally accepted in India ("Previous GAAP") at the relevant time, which have been approved by the Board of Directors at their meetings held on November 30, 2015 and August 28, 2014.
6. For the purpose of our examination, we have relied on the Auditors' Report issued by us dated November 30, 2015 by S.R. Batliboi & Associates LLP dated August 28, 2014 on the unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2015 and 2014 respectively as referred in Para 5 above; and
7. Based on our examination, in accordance with the requirements of sub section (1) of Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note, we report that we have examined the following summarized financial statements of the Company contained in Restated Previous GAAP Unconsolidated Summary Statements, which as stated in the Annexure IV 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 Restated Adjustments to Audited Previous GAAP Unconsolidated Financial Statements, read with paragraph 7(d) below:
  - a) The Restated Previous GAAP Unconsolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2015 and 2014 under Previous GAAP examined by us, as set out in Annexure I to this report;
  - b) The Restated Previous GAAP Unconsolidated Summary Statement of Profit and Loss of the Company for each of the years ended March 31, 2015 and 2014 under Previous GAAP examined by us, as set out in Annexure II to this report;
  - c) The Restated Previous GAAP Unconsolidated Summary Statement of Cash Flow of the Company for each of the years ended March 31, 2015 and 2014 under Previous GAAP examined by us, as set out in Annexure III to this report; and
  - d) Based on the above and according to the information and explanations given to us, we report that the Restated Previous GAAP Unconsolidated Summary Statements of the Company, as attached to this report and as mentioned in paragraphs 7(a) to 7(c) above, read with basis of preparation and respective significant accounting policies given in Annexure IV as described in paragraph 1 have been prepared in accordance with the Act and the ICDR Regulations and these Restated Previous GAAP Unconsolidated Summary Statements:

- i) do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the year ended March 31, 2015 are materially consistent with the policies adopted as at and for the year ended March 31, 2014. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;
- ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
- iii) as per the requirements of Previous GAAP, do not contain any extra-ordinary items that need to be disclosed separately in the Restated Previous GAAP Unconsolidated Summary Statements;
- iv) There are no qualifications in the auditors' reports on the audited Unconsolidated financial statements of the Company as at March 31, 2015 and 2014 and for each of the years ended March 31, 2015 and 2014, which require any adjustments to the Restated Previous GAAP Unconsolidated Summary Statements; and

As indicated in our audit report for the year ended March 31, 2014, referred to above,

Other matter

We did not audit total assets of Rs 83.32 million as at March 31, 2013, total revenues of Rs 4.96 million and net cash outflows amounting to Rs 19.33 million for the year then ended, included in the accompanying financial statements in respect of branch not visited by us, whose financial statements and other information have been audited by other auditors and whose report has been furnished to us. Our opinion, in so far as it relates to the affairs of such branch is based solely on report of other auditors. Our opinion is not qualified in respect of this matter.

- v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order 2003, as applicable, on the Unconsolidated financial statements for the years ended March 31, 2015 and 2014, which do not require any corrective adjustment in the Restated Previous GAAP Unconsolidated Summary Statements, are as follows:

For the year ended March 31, 2015

Clause (ii) (c)

The Company has maintained proper records of inventory except in respect of inventory of work-in-progress. No material discrepancies were noted on physical verification of inventories except work-in-progress. The closing inventory of work-in-progress is determined and recorded based on physical verification and hence we are unable to comment on the discrepancy, if any.

Clause (iv)

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of fixed assets and sale of goods except for recognition of revenue at the year-end in the correct accounting period. The internal control system for purchase of inventory is adequate except documentation of quotation analysis for Engineering Procurement and Construction (EPC) Business and vendor selection, which needs strengthening. Except for the foregoing, there is no continuing failure to correct any major weakness in the internal control system of the company.

Clause (vii) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth-tax, service tax, customs duty, excise 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.

Clause (vii) (b)

According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount Rs in Million	Period to which the amount relates	Due Date	Date of Payment
Employees' state Insurance Act, 1948	Employee's State Insurance	0.04	2014-15	Various dates in FY 14-15	May 5, 2015
Bihar Value Added Tax Act 2005	Value Added Tax	0.32	2014-15	Various dates in FY 14-15	October 15, 2015

Clause (vii) (c)

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

Name of the statute	Nature of the dues	Amount Rs in Million (Net of amount paid under protest)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	6.67	April 2010- Oct 10	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit	16.40	2008-10	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	13.08	2007-8 to 2011-12	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of rebate claim	0.45	2012-13	J.S.(R.A) GOI, New Delhi



Central Sales Tax Act, 1956	CST liability for statutory declarations not collected ("C" Forms)	115.16 138.30	2007-09 2010-11	Assistant Officer (VAT), Daman
Income Tax Act, 1961	Income Tax	7.07	2011-12	CIT(Appeals), Mumbai
Finance Act, 1994	Denial of service tax credit	4.34	Feb-10- Mar-13	CESTAT, Ahmedabad
Total		301.47		

A. For the year ended March 31, 2014

Clause (ii) (c)

The Company has maintained proper records of inventory except in respect of inventory of work-in-progress. No material discrepancies were noted on physical verification of inventories except work-in-progress. The closing inventory of work-in-progress is determined and recorded based on physical verification and hence we are unable to comment on the discrepancy, if any.

Clause (iv)

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of fixed assets and sale of goods. The internal control system for purchase of inventory is adequate except for documentation of vendor selection, which needs strengthening. Except for the foregoing, there is no continuing failure to correct any major weakness in the internal control system of the company.

Clause (v)(b)

In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time, except for job work charges, where in the absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.

Clause (ix) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth-tax, service tax, customs duty, excise 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. The provisions of Investor Education and Protection Fund are not applicable to the company.

Clause (ix) (b)

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, at the year-end, for a period of more than six months from the date they became payable, except in respect of profession tax dues as stated below:

Name of the statute	Nature of the dues	Amount Rs in Million	Period to which amount relates	Due Date	Date of payment
Profession Tax Act, 1976	Profession Tax	0.07	2012-13 and 2013-14	Various dates	15 April 2014

Clause (ix) (c)

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

Name of the statute	Nature of the dues	Amount Rs in Million	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Disallowance of duty exemption benefit	6.07	2002-03	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	5.02	April 2007 to December 2010	CESTAT, Ahmedabad
The Central Excise Act, 1944	Disallowance of duty exemption benefit	0.02	2002-03	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	6.95	April 2007 to December 2010	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	8.06	January 2008 to September 2011	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit on travel services	0.09	December 2010 to March 2011	Commissioner (Appeals), Daman
Central Sales Tax Act, 1956	CST liability for statutory declarations not collected ("C" forms)	115.16	2007-08 and 2008-09	Assistant Officer (VAT), Daman
Rajasthan Sales Tax Act, 1994	Sales Tax	0.11	2000-01	Assistant Commissioner Tax, Dungarpur
Income Tax Act, 1961	Income tax demand	0.33	AY 2011-12	Commissioner of Income Tax (Appeals), Mumbai
Total		141.81		

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2018. 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 June 30, 2018.

Other Financial Information:

9. At the Company's request, we have also examined the following Restated Previous GAAP 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 year ended March 31, 2015 and 2014:
  - i. Restated Previous GAAP Unconsolidated Summary Statement of Share Capital, enclosed as Annexure VI;
  - ii. Restated Previous GAAP Unconsolidated Summary Statement of Reserves and Surplus, enclosed as Annexure VII;
  - iii. Restated Previous GAAP Unconsolidated Summary Statement of Deferred tax liability (net), enclosed as Annexure VIII;
  - iv. Restated Previous GAAP Unconsolidated Summary Statement of Provisions, enclosed as Annexure IX;
  - v. Restated Previous GAAP Unconsolidated Summary Statement of Short-term Borrowings, enclosed as Annexure X;
  - vi. Restated Previous GAAP Unconsolidated Summary Statement of Trade Payables & Other Current Liabilities, enclosed as Annexure XI;
  - vii. Restated Previous GAAP Unconsolidated Summary Statement of Tangible and Intangible assets, enclosed as Annexure XII;
  - viii. Restated Previous GAAP Unconsolidated Summary Statement of Non-current Investments, enclosed as Annexure XIII;
  - ix. Restated Previous GAAP Unconsolidated Summary Statement of Loans and advances, enclosed as Annexure XIV;
  - x. Restated Previous GAAP Unconsolidated Summary Statement of Other assets, enclosed as Annexure XV;
  - xi. Restated Previous GAAP Unconsolidated Summary Statement of Inventories (valued at lower of cost and net realizable value), enclosed as Annexure XVI;
  - xii. Restated Previous GAAP Unconsolidated Summary Statement of Trade receivables, enclosed as Annexure XVII;
  - xiii. Restated Previous GAAP Unconsolidated Summary Statement of Cash and bank balances, enclosed as Annexure XVIII;
  - xiv. Restated Previous GAAP Unconsolidated Summary Statement of Revenue from operations, enclosed as Annexure XIX;
  - xv. Restated Previous GAAP Unconsolidated Summary Statement of Other Income, enclosed as Annexure XX;
  - xvi. Restated Previous GAAP Unconsolidated Summary Statement of Cost of raw materials consumed, enclosed as Annexure XXI;
  - xvii. Restated Previous GAAP Unconsolidated Summary Statement of Purchase of traded goods, enclosed as Annexure XXII;
  - xviii. Restated Previous GAAP Unconsolidated Summary Statement of Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap enclosed as Annexure XXIII;
  - xix. Restated Previous GAAP Unconsolidated Summary Statement of Project bought outs and other costs, enclosed as Annexure XXIV;
  - xx. Restated Previous GAAP Unconsolidated Summary Statement of Employee benefits expenses, enclosed as Annexure XXV;

- xxi. Restated Previous GAAP Unconsolidated Summary Statement of Other expenses, enclosed as Annexure XXVI;
- xxii. Restated Previous GAAP Unconsolidated Summary Statement of Depreciation and amortization expense, enclosed as Annexure XXVII;
- xxiii. Restated Previous GAAP Unconsolidated Summary Statement of Finance costs, enclosed as Annexure XXVIII;
- xxiv. Restated Previous GAAP Unconsolidated Summary Statement of Disclosure in terms of revised Accounting Standard 7 on the accounting of construction contract, enclosed as Annexure XXIX;
- xxv. Restated previous GAAP Unconsolidated Summary Statement of Earnings per Share (EPS), enclosed as Annexure XXX;
- xxvi. Restated previous GAAP Unconsolidated Summary Statement of Employee benefits, enclosed as Annexure XXXI;
- xxvii. Restated previous GAAP Unconsolidated Summary Statement of Leases, enclosed as Annexure XXXII;
- xxviii. Restated Previous GAAP Unconsolidated Summary Statement of Capital and other commitments, enclosed as Annexure XXXIII;
- xxix. Restated Previous GAAP Unconsolidated Summary Statement of Contingent liabilities (to the extent not provided for), enclosed as Annexure XXXIV;
- xxx. Restated Previous GAAP Unconsolidated Summary Statement of Segment Information, enclosed as Annexure XXXV;
- xxxi. Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures, enclosed as Annexure XXXVI;
- xxxii. Restated Previous GAAP Unconsolidated Summary Statement of Derivative instruments and unhedged foreign currency exposure, enclosed as Annexure XXXVII;
- xxxiii. Restated Previous GAAP Unconsolidated Summary Statement of Value of imports calculated on CIF basis, enclosed as Annexure XXXVIII;
- xxxiv. Restated Previous GAAP Unconsolidated Summary Statement of Expenditure in foreign currency (on accrual basis), enclosed as Annexure XXXIX;
- xxxv. Restated Previous GAAP Unconsolidated Summary Statement of Earnings in foreign currency (on accrual basis), enclosed as Annexure XL;
- xxxvi. Restated Previous GAAP Unconsolidated Summary Statement of Imported and indigenous raw materials, stores and spare parts consumed, enclosed as Annexure XLI;
- xxxvii. Restated Previous GAAP Unconsolidated Summary Statement of Amalgamation, enclosed as Annexure XLII;
- xxxviii. Restated previous GAAP Unconsolidated Summary Statement of Tax shelter, enclosed as Annexure XLIII;
- xxxix. Restated previous GAAP Unconsolidated Summary Statement of Dividend Paid, enclosed as Annexure XLIV;
- xl. Restated previous GAAP Unconsolidated Summary Statement of Accounting Ratios, enclosed as Annexure XLV;
- xli. Restated previous GAAP Unconsolidated Summary Statement of Disclosure for Micro, Small and Medium Enterprises, enclosed as Annexure XLVI;
- xl. Restated previous GAAP Unconsolidated Summary Statement of Disclosure for Investment in wholly owned Subsidiary, enclosed as Annexure XLVII.

10. According to the information and explanations given to us, in our opinion, the Restated Previous GAAP Unconsolidated Summary Statements and the abovementioned Restated Previous GAAP financial information contained in Annexures I to XLVII accompanying this report, read with Summary of Significant Accounting Policies 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 the ICDR Regulations and the Guidance Note.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other 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, National Stock Exchange of India, BSE Limited and Registrar of Companies, National Capital Territory of Delhi and Haryana 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 Sudhir Soni  
Partner  
Membership No: 41870  
Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure I****Restated Previous GAAP Unconsolidated Summary Statement of Assets and Liabilities**

	Annexure	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	VI	1,412.06	706.03
Reserves and surplus	VII	14,841.40	12,941.75
		<b>16,253.46</b>	<b>13,647.78</b>
<b>Non-current liabilities</b>			
Deferred tax liability (net)	VIII	219.61	248.76
Long-term provisions	IX	62.83	31.99
		<b>282.44</b>	<b>280.75</b>
<b>Current liabilities</b>			
Short-term borrowings	X	5,454.49	4,449.13
Trade payables	XI	9,797.31	6,145.48
Other current liabilities	XI	871.91	905.87
Short-term provisions	IX	593.15	292.31
		<b>16,716.86</b>	<b>11,792.79</b>
	<b>TOTAL</b>	<b>33,252.76</b>	<b>25,721.32</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
	XII		
Tangible assets		8,173.22	6,913.95
Intangible assets		50.89	12.38
Capital work-in-progress		1,792.10	1,134.57
Non-current investments	XIII	19.78	129.34
Trade receivables	XVII	68.27	-
Long-term loans and advances	XIV	534.47	1,196.54
Other non-current assets	XV	11.77	67.03
		<b>10,650.50</b>	<b>9,453.81</b>
<b>Current assets</b>			
Inventories	XVI	9,046.11	5,780.26
Trade receivables	XVII	10,809.80	8,244.06
Cash and bank balances	XVIII	232.73	270.90
Short-term loans and advances	XIV	2,317.48	1,853.37
Other current assets	XV	196.14	118.92
		<b>22,602.26</b>	<b>16,267.51</b>
	<b>TOTAL</b>	<b>33,252.76</b>	<b>25,721.32</b>

The above statement should be read with Significant Accounting Policies forming part of the Restated unconsolidated previous GAAP Financial Information in Annexure IV, Statement of Restatement Adjustment to Audited previous GAAP Unconsolidated Financial Statements in Annexure V.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

per Sudhir Soni  
Partner  
Membership No. 41870

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure II**

**Restated Previous GAAP Unconsolidated Summary Statement of Profit and Loss**

	Annexure	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Income</b>			
Revenue from operations (gross)	XIX	51,027.90	42,384.61
Less: Excise duty		4,053.18	4,055.14
Revenue from operations (net)		46,974.72	38,329.47
Other income	XX	53.85	75.47
<b>Total Revenue (I)</b>		<b>47,028.57</b>	<b>38,404.94</b>
<b>Expenses</b>			
Cost of raw materials consumed	XXI	33,714.95	30,075.48
Purchase of traded goods	XXII	2,133.98	68.53
Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap	XXIII	(1,193.32)	(185.12)
Project bought outs and other costs	XXIV	1,405.94	-
Employee benefits expense	XXV	1,596.20	1,139.38
Other expenses	XXVI	4,976.48	4,439.62
<b>Total Expenses (II)</b>		<b>42,634.23</b>	<b>35,537.89</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)</b>		<b>4,394.34</b>	<b>2,867.05</b>
Depreciation and amortisation expense	XXVII	974.85	633.04
Finance costs	XXVIII	1,076.70	904.63
<b>Profit before tax</b>		<b>2,342.79</b>	<b>1,329.38</b>
<b>Tax expenses</b>			
For the current year			
Current tax		834.81	333.67
Deferred tax charge/(credit)		(63.03)	141.37
<b>Total tax expense</b>		<b>771.78</b>	<b>475.04</b>
<b>Profit for the Year</b>		<b>1,571.01</b>	<b>854.34</b>
<b>Earnings per equity share</b>			
<b>(nominal value of share ₹10)</b> (31 March 2014: ₹10)	XXX		
Basic (₹)		11.13	6.05
Diluted (₹)		11.13	6.05

The above statement should be read with Significant Accounting Policies forming part of the Restated unconsolidated previous GAAP Financial Information in Annexure IV, Statement of Restatement Adjustment to Audited previous GAAP Unconsolidated Financial Statements in Annexure V.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

per Sudhir Soni  
Partner  
Membership No. 41870

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Place: Mumbai  
Date: October 24, 2018

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure III****Restated Previous GAAP Unconsolidated Summary Statement of Cash flow**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>2,342.79</b>	1,329.38
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	974.85	633.04
Loss/(profit) on sale of fixed assets	(0.12)	0.16
Bad debts written-off and Provision for doubtful debts (net)	340.20	440.77
Provision for doubtful advance (net)	42.94	25.20
Sundry balances written-back	(0.52)	0.00
Sundry balances written-off	7.93	11.69
Fixed assets discarded	7.19	38.88
Amortised premium on Forward Contract	-	41.09
Unrealized foreign exchange (gain)/loss (net)	50.15	(57.84)
Finance cost	1,076.70	904.63
Interest income	(25.50)	(48.99)
Dividend income	-	-
<b>Operating profit before working capital changes</b>	<b>4,816.62</b>	3,318.01
Movements in working capital:		
(Increase) /decrease in trade receivables	(1,573.32)	1,202.69
(Increase) / decrease in loans and advances and other assets	(473.34)	(951.61)
(Increase) /decrease in inventories	(3,017.54)	344.29
(Decrease)/ increase in trade payables, other liabilities and provisions	2,386.04	(270.56)
<b>Cash generated from operations</b>	<b>2,138.46</b>	3,642.82
Direct tax paid (net of refunds)	(597.64)	(285.43)
<b>Net cash flow from operating activities (A)</b>	<b>1,540.82</b>	3,357.39
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work-in-progress and capital advances)	(2,040.63)	(1,040.51)
Proceeds from sale of fixed assets	10.97	1.60
Dividend received from subsidiary Company	-	-
Investment in equity shares of subsidiaries	(9.43)	(12.00)
Interest received	14.89	48.76
Maturity of bank deposits (having original maturity of more than 3 months)	207.23	54.00
Loans and advances to subsidiaries (net)	(13.64)	(308.83)
Loans given to others	-	(70.00)
Loans repaid by others	74.95	15.00
<b>Net cash used in investing activities (B)</b>	<b>(1,755.66)</b>	(1,311.98)
<b>Cash flows from financing activities</b>		
Interest paid	(1,019.59)	(870.03)
Proceeds from short-term borrowings	13,147.09	12,148.00
Repayment of short-term borrowings	(11,901.61)	(13,324.75)
Loan repaid to others	12.78	(4.49)
Unsecured loans taken (Directors and their relatives)	0.02	24.40
Unsecured loans repaid (Directors and their relatives)	84.24	(24.42)
Dividend paid (including tax thereon)	(165.20)	-
<b>Net cash used in financing activities (C)</b>	<b>157.73</b>	(2,051.29)



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
**Restated Previous GAAP Unconsolidated Summary Statement of Cash flow**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>(57.11)</b>	(5.88)
Cash and cash equivalents at the beginning of the year	<b>142.64</b>	142.37
Cash and cash equivalents acquired on amalgamation	<b>71.28</b>	6.15
<b>Cash and cash equivalents at the end of the year</b>	<b>156.81</b>	142.64
<b>Components of Cash and cash equivalents</b>		
Cash on hand	<b>4.88</b>	1.84
Cheques on hand	<b>3.99</b>	11.79
<b>Balances with banks</b>		
On current accounts	<b>146.99</b>	128.98
On deposit accounts	<b>0.95</b>	0.03
	<b>156.81</b>	142.64
<b>Components of Cash and cash equivalents</b>	<b>232.73</b>	270.90
<b>Less :</b>		
Deposits with original maturity for more than 12 months	<b>20.18</b>	128.25
Deposits with original maturity for more than 3 months but less than 12 months	<b>55.73</b>	-
Margin money deposit	<b>0.01</b>	0.01
	<b>156.81</b>	142.64
<b>Total cash and cash equivalents (refer Annexure XVIII)</b>	<b>156.81</b>	142.64

**Notes:**

- The figures of current year include changes in the cash flow of the erstwhile JWPL, PWIPL, PEPL, PEIPL and DNEL (refer Annexure XLII-B ), which was amalgamated with the Company w.e.f 1 April, 2014.
- The amalgamation of JWPL, PWIPL, PEPL, PEIPL and DNEL with the Company is a non cash transaction and hence, no impact on the Company's cash flow for the previous year (refer Annexure XLII-B ).
- The figures of previous year include changes in the cash flow of the erstwhile PCIPL (refer Annexure XLII-A ), which was amalgamated with the Company w.e.f 1 April, 2013.
- The amalgamation of PCIPL with the Company is a non cash transaction and hence, no impact on the Company's cash flow for the previous year.
- Figures in brackets indicates outflows.

The above statement should be read with Significant Accounting Policies forming part of the Restated unconsolidated previous GAAP Financial Information in Annexure IV, Statement of Restatement Adjustment to Audited previous GAAP Unconsolidated Financial Statements in Annexure V.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

per Sudhir Soni  
Partner  
Membership No. 41870

For and on behalf of the Board of Directors of  
Polycab India Limited (formerly known as 'Polycab Wires Limited')

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

Place: Mumbai  
Date: October 24, 2018

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

#### **IV.1 Corporate information**

Polycab India Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The status of the Company Polycab Wires Private Limited has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on August 29, 2018 and consequently the name of the Company has been changed to Polycab Wires Limited. The name of the Company has been further changed to Polycab India Limited with Certificate of Incorporation pursuant to change of name dated October 13, 2018. The Company is one of the largest manufacturers of L.T. power/control, instrumentation, flexible, auto/battery, submersible, H.T. cables, rubber cables and other communication cables. The Company is also in the business of Engineering, Procurement, Construction (EPC) projects, Electric Wiring Accessories & Electric Appliances. The Company caters to both domestic and international markets.

#### **IV.2 Basis of preparation**

The Restated Unconsolidated Financial Statement of Assets and Liabilities of the Company as at March 31, 2015 and March 31, 2014 and the related Restated Unconsolidated Profit & Loss account and Restated Unconsolidated Statement of Cash Flows for year ended March 31, 2015 and March 31, 2014 (hereinafter collectively referred to as "Restated IGAAP Unconsolidated Financial Information") have been prepared specifically 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 ("IPO") through Offer for sale of its equity shares.

The Restated Unconsolidated financial statements of the Company have been prepared and presented in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Restated Unconsolidated financial statements to comply with all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. The Restated Unconsolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

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 Schedule III of the Companies Act, 2013. Based on the nature of products and the time between 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.

The Restated Unconsolidated Summary Statements have been compiled from Audited Standalone Financial Statements of the Company for the year ended March 31, 2015 which includes the comparative financial statements as at and for the year ended March 31, 2014 prepared in accordance with generally accepted accounting principles in India.

For all the periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with generally accepted accounting principles in India and Accounting Standards notified by the Institute of Chartered Accountants of India.

#### **IV.3 Change in Accounting Policies**

##### **Depreciation on Fixed Assets**

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

##### **Useful Lives / Depreciation Rates**

Schedule II of the Companies Act, 2013 prescribes useful lives of the asset and the depreciation is being provided on the straight line method as per their useful lives prescribed in Schedule II of the Companies Act, 2013. However, Schedule II allows Companies to use higher / lower useful lives and residual values; if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. The management believes the depreciation rates currently used fairly reflects its estimate of the useful lives and residual values of fixed assets.

#### **IV.4 Summary of significant accounting policies**

##### **a. Use of estimates**

The preparation of financial 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 periods.

##### **b. Tangible fixed assets and capital work-in-progress**

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Capital work-in-progress comprises of fixed assets that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Gains or losses arising from derecognition of fixed assets 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.

##### **c. Depreciation on tangible fixed assets**

i) Depreciation on fixed assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

ii) Leasehold lands are amortized over the period of lease.

##### **d. Intangible assets**

Depreciation on fixed assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

##### **e. Operating 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.

##### **f. Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

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.

#### **g. Impairment of tangible 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 groups 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. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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. Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All the other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

#### **i. Inventories**

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed. Cost of finished goods includes excise duty.

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 at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

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.

#### **j. Revenue recognition**

Revenue is recognised 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 recognised:

##### **Sale of goods**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of the goods. The Company collects Central Sales Tax (CST) and Value Added Tax (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from gross revenue is the amount that is included in the gross revenue and not the entire amount of liability arising during the year. Revenue is disclosed net of discounts and returns, as applicable.

Revenue from long - term contracts, where the outcome can be estimated reliably, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. When the current estimate of total costs and revenue is a loss, provision is made for the entire loss on the contract irrespective of the amount of work done. Contract revenue earned in excess of billing is reflected under "Other Current Assets" and billing in excess of contract revenue is reflected under "Other Current Liabilities" in the balance sheet.

##### **Export incentives**

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations.

##### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

##### **Dividends**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

#### **k. Foreign currency translation**

##### **Foreign currency transactions and balances**

##### **i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

##### **ii. Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

##### **iii. Exchange differences**

Exchange differences arising on 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, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

##### **iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

##### **i. Retirement and other employee benefits**

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Company recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds.

The Company operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses for defined benefit plan is 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 advances 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.

##### **m. Income taxes**

Tax expense comprises of current and deferred tax. Current taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdiction.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences 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 reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually 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 reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

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.

#### **n. Segment reporting**

##### **Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services with each segment representing a strategic business unit that offers different products & serves different markets,

##### **Inter-segment transfers**

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

##### **Allocation of common costs/ Assets & liabilities**

Common allocable costs/ assets & liabilities are allocated to each segment are consistently allocated amongst the segments on appropriate basis.

##### **Unallocated items**

Unallocated items include general corporate income & expense items which are not allocated to any business segment.

##### **Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

#### **o. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus elements in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **p. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### **q. 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 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

### **Annexure- IV**

#### **Notes to Restated Previous GAAP unconsolidated summary statement of assets and liabilities, summary statement of profit and loss and summary statement of cash flows for two years upto 31 March 2015**

---

**r. 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.

**s. Derivative instruments**

The Company enters into derivative contracts in the nature of commodity hedges with an intention to hedge its existing raw material requirements and firm commitments. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. At year end, contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised on grounds of prudence.

**t. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present Earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. In its measurement, the Company does not include depreciation and amortization expenses, finance costs and tax expenses but includes interest income.

**u. Amalgamation accounting**

The Company treats an amalgamation in the nature of merger if it satisfies all the following criteria:

- i. All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.
- ii. Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.
- iii. The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares.
- iv. The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.
- v. The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

The company accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the company to recognize any non-cash element of the consideration at fair value. The company recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure V**

**Part A: Statement of Restated Adjustments to Audited Previous GAAP Unconsolidated Financial statements**

The summary of results of restatement made in the audited Previous GAAP financial statements for the respective years and its impact on the profit of the Company is as follows:

Particulars	Notes	For the year ended						Adjustment to opening reserve*
		June 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	
		IND AS	IND AS	IND AS	IND AS	Previous GAAP*	Previous GAAP*	
Net profit as per audited financial statements		798.35	3583.90	2399.18	1897.23	1500.39	932.41	
a. Material items relating to previous years								
<b>Increase/(Decrease) in Income</b>								
Sundry balances written back in respective years	1	(21.61)	(103.50)	4.01	15.13	(58.30)	(74.03)	238.29
Adjustments in respect of government grants relating to earlier periods	2	-	97.95	(103.15)	5.21	-	-	-
Adjustment for insurance claims	3	(2.63)	(18.46)	16.73	(14.99)	11.60	7.74	-
Adjustment for estimated sales returns (net)	4	-	61.87	7.14	(44.71)	(1.39)	(22.91)	-
Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)	5	-	-	-	-	112.61	-	-
		(24.24)	37.86	(75.27)	(39.36)	64.52	(89.20)	238.29
<b>(Increase)/Decrease in Expenses</b>								
- Adjustment to other expenses incurred in relation to earlier periods for power and fuel	6	-	57.72	-	(13.25)	(15.05)	(12.68)	(16.74)
- Adjustment to other expenses incurred in relation to earlier periods rates and taxes	7	-	-	-	-	18.15	(9.08)	(9.07)
- Adjustment in respect of subsidiary amalgamated as at April 1, 2015	7	-	-	-	-	-	-	-
Revision in useful life	8	-	-	-	-	-	(4.86)	-
		-	-	-	-	-	-	-
		-	57.72	-	(13.25)	3.10	(26.62)	(25.81)
<b>Total adjustments before tax</b>		(24.24)	95.58	(75.27)	(52.61)	67.62	(115.82)	212.48
<b>Restated Profit Before Tax</b>		774.11	3,679.48	2,323.91	1,844.62	1,568.01	816.59	212.48
Total tax adjustment of earlier years	9	-	26.06	6.77	-	(12.29)	0.03	(20.56)
Tax impact of adjustments	9	8.47	0.82	(9.65)	20.01	15.29	37.72	(72.66)
<b>Total tax adjustments</b>		8.47	26.88	(2.88)	20.01	3.00	37.75	
<b>Restated profit after tax</b>		782.58	3,706.36	2,321.03	1,864.63	1,571.01	854.34	

\* The statement of restated adjustments has been included in both Ind AS and previous GAAP Unconsolidated summary statement financial for showing the impact of each of the adjustments in all the 5 years. Adjustments pertaining to period covered under IND AS has been made in IND AS summary statements.

## **Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

Annexure V

Part A: Statement of Restated Adjustments to Audited Previous GAAP Unconsolidated Financial statements

The above statement should be read with the notes to the restated unconsolidated summary statement as appearing in Annexures.

### **1 Sundry balances Written Back**

In the audited financial statements for the years ended 31 March 2014 to 31 March 2018 and three month period ended 30 June, 2018, certain liabilities including of advances received from cutomers, created in earlier years have been written back. For the purpose of this statement, the said liabilities which have been considered material have been appropriately adjusted in the respective years in which the same were originally created and accordingly, amount related to prior to 31 March 2014 have been adjusted to the retained earnings as at 01 April 2013.

### **2 Adjustments in respect of government grants relating to earlier periods**

Adjustments relating to Government Grant income recognised in the financial statements for the year ended 31 March 2018, in respect of earlier periods has for the purpose of these restated financial statements been recorded in respective years.

### **3 Adjustment for insurance claims**

The insurance claims received by the Company have for the purpose of the restated financial statements been adjusted in the respective years in which the actual loss giving rise to such insurance claims were accounted by the Company.

### **4 Adjustment for estimated sales returns (net)**

Sales returns accounted by the Company have been adjusted in the restated financial statements in the years in which the original sales were accounted.

### **5 Adjustment on account of amalgamation of subsidiaries with effect from April 1, 2014 (net of tax)**

The Board of Directors of erstwhile Jaisingh Wires Private Limited (JWPL), Polycab Wires Industries Private Limited (PWIPL), Polycab Electrical Industries Private Limited (PEIPL), Polycab Electronics Private Limited (PEPL), Datar Nouveau Energietechnik Limited (DNEL) ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (formerly known as Polycab Wires Private Limited) with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation. Pending such approvals, no effect of the proposed amalgamation had been given in the financial statements of the Company for year ended 31 March 2015.

Pursuant to sanction of the amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company and accordingly amalgamation was accounted for in the year ended March 31 2016 (Under IGAAP), as per AS 14 and April 1 2015 (Under Ind AS) as per Ind AS 103.

In the restated financial statements for the year ended March 31, 2015, company has accounted for the merger with effect from April 1 2014 i.e. appointed date as per the scheme of amalgamation

The accounting of merger in the year 31 March 15 does not have any impact on any of the subsequent year at transition to Ind AS, Company had given the impact of merger in the opening balance i.e. 1 April 2015.

Annexure V

Part A: Statement of Restated Adjustments to Audited Ind AS unconsolidated Financial statements

### **6 Adjustment to other expenses incurred in relation to earlier periods-Power and Fuel**

Impact of settlement of certain uncertain positions in relation to VAT input on fuel expenses has been considered in the respective years to which such expenses originally related to.

### **7 Adjustment to other expenses incurred in relation to earlier periods-Rates and Taxes**

Impact of settlement of demand in relation to property tax has been considered in the relevant years for which such demand was raised.

### **8 Change in the estimated useful lives of the property, plant and equipments**

In the financial year ended 31 March 2015, pursuant to the Act being effective from 1 April 2014, the Company has revised the depreciation rates on its property, plant and equipments as per the useful life specified in Part C of the Schedule II of the Act. Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Group was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for property, plant and equipments which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. Considering the applicability of Schedule II, the Management of Group has re-estimated useful lives and residual values of all its property, plant and equipments. The impact of depreciation has been recomputed and adjusted in respective years.

### **9 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.

Computation of deferred tax has been computed and adjusted to give effect to the reversal of timing differences on adjustments made as detailed above and has been adjusted in the restated profits and losses for the years ended 31 March 2018, 2017, 2016, 2015 and 2014 and the balance brought forward in Profit and Loss Account as at 1 April 2014.

**Part B : Reconciliation of equity as per previous GAAP and Ind AS is as under:**

The impact of the application of accounting policies under Ind AS as at the transition date, April 1, 2015 has been summarised below.

As per previous GAAP as on 31 March 2015	Notes	14,841.40
<b>Impact of adjustment due to IND AS adjustments</b>		
Proposed equity dividend and tax on equity dividend	10	84.98
Interest free Security deposit recorded at Amortised cost	11	(0.00)
Hedge accounting as per IND AS 109	12	(135.40)
Impact of expected credit loss as per IND AS 109	13	(61.60)
Fair value of Investment in Mutual Funds	14	0.63
Impact of Government Grant accounting on property, plant and equipment	15	53.60
Deferred tax asset created on IND AS Adjustments	16	49.41
<b>As per restated IND AS as on 01 April 2015</b>		<b>14,833.02</b>

**10 Equity dividend and dividend distribution tax**

The liability of ₹ 70.60 millions and ₹ 14.37 millions for the year ended on 31 March 2015 recorded for dividend and dividend distribution tax has been derecognised against retained earnings on 1 April 2015.

**11 Security deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹ 0.30 millions as at 1 April 2015 – ₹ 0.30 millions. The prepaid rent increased by ₹ 0.30 millions as at 1 April 2015 - ₹ 0.30 millions. Total equity decreased by ₹0.00 millions as on 1 April 2015.

**12 Hedge Accounting**

For certain commodities, the purchase price is determined on a provisional basis at the date of purchase; adjustments to the purchase price subsequently occurs based on movements in quoted market prices up to the date of final pricing. The period between provisional pricing and final pricing is generally 60 to 90 days. Inventory cost on provisionally priced purchases is recognised based on the estimated fair value of the total consideration receivable. The price adjustment mechanism embedded within provisionally priced purchases arrangements has character of commodity derivative. Accordingly, the fair value of final purchase price adjustment is re-estimated continuously and changes in fair value are recognised in income statement directly as an adjustment to raw material consumption. Impact on unpriced purchase contract as of 1 April 2015 resulting to decrease in retained earnings by ₹ 135.40 millions with a corresponding decrease in value of closing inventory.

**13 Expected Credit Loss**

Under Indian GAAP, the Group has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Group impaired its trade receivable by ₹ 61.60 million on 1 April 2015, impact of the same is directly recognised in retained earnings.

**14 Fair value of Investment in Mutual Funds**

Under Indian GAAP, the Company accounted for investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. Accordingly, investments in mutual mutual funds are carried at fair value with resulting gain of ₹ 0.63 millions on 1 April 2015.

**15 Property, plant and equipment**

The Company import machinery using EPCG licences. Based on the terms of the license , the Company is not required to pay the import duty subject to export of agreed value in future time. Under Ind AS asset related grant is required to be recorded as deferred liabilities while asset should be recorded at gross value . Hence on the date of transition to Ind AS, an increase of ₹ 144.40 million was recognised in property, plant and equipment. Total equity increased by ₹ 53.60 millions and deferred government grant increased by ₹ 90.80 million as on 1 April 2015. This amount has been recognised against deferred government grant and amortised subsequently.

**16 Deferred tax**

Under Ind AS, deferred tax is calculated using balance sheet approach on various transitional adjustments which lead to temporary differences between the carrying amount of an asset or liability and its tax base. On transition date, Deferred tax liability of ₹ 49.41 million is created.

**Non-adjusting Events**

Our auditors' opinions on certain matters in terms with the requirement of CARO 2003 order and as amended by the Companies (Auditors Report), Order 2004 issued by the Government of India, in terms of sub-section 4A of Section 127 of the Companies Act,1956 of India for the FY 2013-14 and in terms with the requirements of CARO,2015 order issued by the Central Government of India in terms of Sub Section 11 of Section 143 of the Companies Act,2013 of India for FY 2014-15 and thereafter:

For the year ended March 31, 2015

- The Company has maintained proper records of inventory except in respect of inventory of work-in-progress. No material discrepancies were noted on physical verification of inventories except work-in-progress. The closing inventory of work-in-progress is determined and recorded based on physical verification and hence we are unable to comment on the discrepancy, if any.
- In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business of purchase of fixed assets and sale of goods except for recognition of revenue at the year-end in the correct accounting period. The internal control system for purchase of inventory is adequate except documentation of quotation analysis for Engineering Procurement and Construction (EPC) business and vendor selection which needs strengthening. Except for the foregoing, there is no continuing failure to correct any major weakness in the internal control system of the Company.
- Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been deposited regularly with the appropriate authorities though there has been a slight delay in a few cases.

d) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales-tax, custom duty, excise duty, cess and other material statutory dues outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Due Date	Date of Payment
The Employees' State Insurance Act, 1948	Employees' State Insurance	0.04	2014-15	Various Dates in FY 14-15	5 May 2015
The Bihar Value Added Tax Act, 2005	Value Added Tax	0.32	2014-15	Various Dates in FY 14-15	15 October 2015

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

Name of the statute	Nature of the dues	Amount (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	6.67	April 2010-Oct 10	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit	16.40	2008-10	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	13.08	2007-8 to 2011-12	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of rebate claim	0.45	2012-13	J.S.(R.A) GOI, New Delhi
Central Sales Tax Act, 1956	CST liability for statutory declarations not collected ( "C" Forms)	115.16	2007-09	Assistant Officer (VAT), Daman
		138.30	2010-11	
Income Tax Act, 1961	Income Tax	7.07	2011-12	CIT(Appeals), Mumbai
Finance Act, 1994	Denial of service tax credit	4.34	Feb-10-Mar-13	CESTAT, Ahmedabad
		<b>301.47</b>		

For the year ended March 31, 2014

a) The Company has maintained proper records of inventory except in respect of inventory of work-in-progress. No material discrepancies were noted on physical verification of inventories except work-in-progress. The closing inventory of work-in-progress is determined and recorded based on physical verification and hence we are unable to comment on the discrepancy, if any.

b) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of fixed assets and sale of goods. The internal control system for purchase of inventory is adequate except for documentation of vendor selection which needs strengthening. Except for the foregoing, there is no continuing failure to correct any major weakness in the internal control system of the Company.

c) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time, except for job charges, which in the absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant prices.

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

e) According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues outstanding, at the year end, for a period of more than six months from the date they became payable, except in respect of profession tax dues as stated below:

Name of the Statute	Nature of the Dues	Amount (₹ in Million)	Period to which the amount relates	Due Date	Date of Payment
Profession Tax Act, 1976	Profession Tax	0.07	2012-13 and 2013-14	Various Dates	15 April 2014

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

Name of the statute	Nature of the dues	Amount (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Disallowance of duty exemption benefit	6.07	2002-03	CESTAT, Ahmedabad
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	5.02	April 2007 to December 2010	CESTAT, Ahmedabad
The Central Excise Act, 1944	Disallowance of duty exemption benefit	0.02	2002-03	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of input credit of business auxiliary services	6.95	April 2007 to December 2010	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit on capital goods	8.06	January 2008 to September 2011	Commissioner (Appeals), Daman
The Central Excise Act, 1944	Denial of Cenvat credit on travel services	0.09	December 2010 to March 2011	Commissioner (Appeals), Daman
Central Sales Tax Act, 1956	CST liability for statutory declarations not collected ( "C" forms)	115.16	2007-08 and 2008-09	Assistant Officer (VAT), Daman
Rajasthan Sales Tax Act, 1994	Sales Tax	0.11	2000-01	Assistant Commissioner Tax, Dungarpur
Income Tax Act, 1961	Income tax demand	0.33	AY 2011-12	Commissioner of Income Tax (Appeals), Mumbai
		<b>141.81</b>		

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure VI****Restated Previous GAAP Unconsolidated Summary Statement of Share Capital**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Authorized shares</b>		
186.25 million Equity Shares of ₹ 10 each (31 March 2014: 92.00 million Equity Shares of ₹ 10 each)	1,862.50	920.00
<b>Issued, subscribed and fully paid-up shares</b>		
141.21 million Equity Shares of ₹ 10 each (31 March 2014: 70.60 million Equity Shares of ₹ 10 each)	1,412.06	706.03
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,412.06</b>	<b>706.03</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31 March 2015		31 March 2014	
	Number	(₹ million)	Number	(₹ million)
At the beginning of the period	70.60	706.03	70.60	706.03
Issued during the period - Bonus issue (1:1)	70.60	706.03	-	-
<b>Outstanding at the end of the period</b>	<b>141.21</b>	<b>1,412.06</b>	70.60	706.03

**b. Terms/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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2015 the amount of per share interim dividend recognized and paid to equity shareholders was ₹ 1 (31 March 2014: ₹ Nil).

During the year ended 31 March 2015 the amount of per share dividend recognized as distribution to equity shareholders was ₹ 0.50 (31 March 2014: ₹ 1).

**c. Details of shareholders holding more than 5% shares in the Company**

	31 March 2015		31 March 2014	
	Number	% holding	Number	% holding
Equity shares of ₹10/- each fully paid				
Mr. Inder T. Jaisinghani	30.02	21.26	15.01	21.26
Mr. Ramesh T. Jaisinghani	24.00	17.00	12.00	17.00
Mr. Ajay T. Jaisinghani	24.00	17.00	12.00	17.00
Mr. Girdhari T. Jaisinghani	24.00	17.00	12.00	17.00
International Finance Corporation (IFC)	21.18	15.00	10.59	15.00

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.

**d. Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.**

(i) During the year the Company issued 70.60 million Equity Shares of ₹10/- each as Bonus shares in the ratio of 1:1 (31 March 2014: Nil) by capitalization of Securities premium

(ii) 5.01 million equity shares of ₹10 each fully paid up issued to debenture holder pursuant to conversion of 17 million Compulsory Convertible Debentures of ₹100 each for consideration other than cash during the year ended 31 March 2013

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure VII**

**Restated Previous GAAP Unconsolidated Summary Statement of Reserves and surplus**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Capital reserves</b>	<b>0.13</b>	0.13
<b>Securities premium account</b>		
Balance as per the last financial statements	3,911.62	3,911.62
Less: amounts utilized towards issue of fully paid bonus shares (1:1) to equity shareholders	(706.03)	-
<b>Closing balance</b>	<b>3,205.59</b>	3,911.62
<b>General reserves</b>	<b>614.69</b>	614.69
Add : Addition on account of Amalgamation - Jaisingh Wires Private Limited (Refer Annexure - XLII)	36.00	-
<b>Closing balance</b>	<b>650.69</b>	614.69
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	8,415.31	7,834.81
Balance of Polycab Cables Industries Private Limited (PCIPL) as on 01 April 2013	-	(163.66)
Add : Addition on account of Amalgamation (Refer Note - XLII)		
Profit of Polycab Electronics Private Limited as at 1 April 2014	0.12	
Profit of Polycab Wires Industries Private Limited as at 1 April 2014	125.45	
Profit of Jaisingh Wires Pvt Ltd as at 31 March 2014	1064.31	
Loss of Datar Nouveau Energietechnik Private Limited as at 1 April 2014	(0.11)	
Loss of Polycab Electrical Industries Private Limited as at 1 April 2014	(13.72)	
	<b>1,176.05</b>	-
Less: The difference between investments of the Company in the respective transferor companies and aggregate of share capital of respective transferor companies (refer Annexure XLII)	(10.63)	-
Profit for the year	<b>1,571.01</b>	854.34
<b>Less: Appropriations</b>		
Less: Depreciation on fixed assets as per transitional provision as provided in Schedule II of the Companies Act, 2013 (Net of Tax ₹ 14.60 million)	-	(27.58)
Proposed equity dividend (Amount per share ₹ 0.50 (31 March 2014: ₹ 1)	(70.60)	(70.60)
Tax on proposed equity dividend	(14.37)	(12.00)
Interim equity dividend (Amount per share ₹ 1 (31 March 2014: ₹ Nil)	(70.60)	-
Tax on interim equity dividend	(11.19)	-
<b>Total appropriations</b>	<b>(166.76)</b>	(110.18)
<b>Net surplus in the Statement of Profit and Loss</b>	<b>10,984.98</b>	<b>8,415.31</b>
<b>Total reserves and surplus</b>	<b>14,841.40</b>	<b>12,941.75</b>

**Annexure VIII****Restated Previous GAAP Unconsolidated Summary Statement of Deferred tax liability (net)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Particulars</b>		
<b>Deferred tax liability</b>		
On account of difference in rates and method of depreciation of fixed assets	537.11	533.80
Reversal of Brought forward business loss	21.28	-
Addition on account of amalgamation	33.87	-
<b>Gross deferred tax liability</b>	<b>592.26</b>	<b>533.80</b>
<b>Deferred tax asset</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	21.79	22.56
Provision for doubtful debts and advances	286.49	219.71
Provision for gratuity	37.01	26.06
Provision for leave encashment	25.57	16.59
Others	1.79	0.12
<b>Gross deferred tax asset</b>	<b>372.65</b>	<b>285.04</b>
<b>Net deferred tax liability</b>	<b>219.61</b>	<b>248.76</b>



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure IX****Restated Previous GAAP Unconsolidated Summary Statement of Provisions**

	Long-Term		Short-Term	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Provision for employees benefits</b>				
Provision for gratuity (refer Annexure XXXI)	62.83	31.99	56.06	44.68
Provision for leave encashment	-	-	79.55	50.74
	<b>62.83</b>	31.99	<b>135.61</b>	95.42
<b>Other provisions</b>				
Proposed equity dividend	-	-	70.60	70.60
Provision for tax on proposed equity dividend	-	-	14.37	12.00
Provision for tax (net of advance tax and TDS)	-	-	372.57	114.29
	-	-	<b>457.54</b>	196.89
	<b>62.83</b>	31.99	<b>593.15</b>	292.31

**Annexure X****Restated Previous GAAP Unconsolidated Summary Statement of Short-term borrowings**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Cash Credit from banks (Secured)	754.72	531.22
Buyer's Credit (Foreign Currency Loans) (Secured)	2,021.65	1,564.32
Short-term loan from banks (Secured)	2,511.23	2,050.00
Short term loan from a bank (Unsecured)	165.59	-
Loans from Directors (Unsecured)	0.37	228.31
Loans from Relatives of Directors (Unsecured)	0.93	75.28
	<b>5,454.49</b>	4,449.13

**The above amount includes**

Secured borrowings	5,287.60	4,145.54
Unsecured borrowings	166.89	303.59
	<b>5,454.49</b>	4,449.13

- Cash credit facility is repayable on demand and carries interest @ 10.50% p.a to 13.75% p.a (31 March 2014 : 10.90% p.a to 13.75% p.a)
- Buyer's credit is repayable on maturity and carries interest @ 0.43% p.a to 1.36% p.a. (31 March 2014 : @ 0.53% p.a to 1.29% p.a)
- Short-term loans from banks carries interest on Rupee loan @ 9.85% p.a to 10.00% p.a (31 March 2014 : @ 10.15% p.a to 10.40% p.a), and foreign currency short-term loan 31 March 2015 : @ 1.88% p.a. The loan is repayable on maturity.
- Secured borrowings from banks are secured against pari-passu first charge by way of hypothecation of current assets and fixed assets of the Company and equitable mortgage of specified fixed assets of the Company such as Daman staff quarters, Daman godown premises, Daman and Halol factory land and building and Mumbai office building.
- Loans from Private companies in which the Company's director is a director were repayable on demand and carried interest @ 12.00% p.a (31 March 2014 : @ 12.00% p.a).
- Loans from directors and their relatives were repayable on demand and carried interest @ 4.00% p.a.(31 March 2014 : @ 4% p.a.)

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XI****Restated Previous GAAP Unconsolidated Summary Statement of Trade Payables & Other Current Liabilities**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>A) Trade Payable</b>		
Trade payables (Including acceptances)	9,797.31	6,145.48

**Remarks:**

Trade payables include Bills of Exchange (BOE) accepted against supplier's credit amounting to ₹ 5,570.07 million (31 March 2014 ₹ 2804.09 million). BOE are generally payable within 90 days and related discounting charges are paid by the Company.

**B) Other current liabilities**

Advance from customers	71.54	472.51
Security Deposit	26.57	14.64
Interest accrued but not due on borrowings	35.44	22.25
Interest accrued and due on borrowings	13.28	20.01
Mark to market on commodity contracts	9.03	12.95
Creditors for capital expenditure	321.79	108.17
<b>Others</b>		
Excise duty payable on finished goods	194.29	122.61
Other statutory dues	199.97	132.73
	<b>871.91</b>	<b>905.87</b>
	<b>10,669.22</b>	<b>7,051.35</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XII**

**Restated Previous GAAP Unconsolidated Summary Statement of Tangible and Intangible assets**

Particulars	Tangible assets										Intangible assets	
	Land	Leasehold land	Buildings	Plant and equipments	Electrical installations	Furniture fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total	Computer software
<b>Gross carrying value at cost</b>												
At 1 April 2013	741.51	-	2,008.17	3,664.11	224.82	61.34	96.55	423.21	42.86	1.69	7,264.26	46.64
Addition on account of amalgamation (refer Annx XLII)	8.01	-	330.03	451.08	21.62	4.41	3.15	86.08	-	-	904.38	-
Additions	48.13	0.93	574.40	649.00	52.83	13.46	20.24	-	12.19	-	1,371.18	12.84
Disposals	(3.25)	-	(2.19)	(53.85)	(0.46)	-	(50.71)	-	(1.67)	-	(112.13)	-
<b>At 31 March 2014</b>	<b>794.40</b>	<b>0.93</b>	<b>2,910.41</b>	<b>4,710.34</b>	<b>298.81</b>	<b>79.21</b>	<b>69.23</b>	<b>509.29</b>	<b>53.38</b>	<b>1.69</b>	<b>9,427.69</b>	<b>59.48</b>
Addition on account of amalgamation (refer Annx XLII)	15.44	-	257.74	736.31	60.14	7.49	3.34	-	12.60	-	1,093.06	-
Additions	49.03	42.08	513.26	904.44	70.82	22.77	45.22	-	19.66	-	1,667.28	56.02
Disposals	(0.43)	-	(2.62)	(86.07)	(1.12)	(0.12)	-	-	(11.05)	-	(101.41)	-
<b>At 31 March 2015</b>	<b>858.44</b>	<b>43.01</b>	<b>3,678.79</b>	<b>6,265.02</b>	<b>428.65</b>	<b>109.35</b>	<b>117.79</b>	<b>509.29</b>	<b>74.59</b>	<b>1.69</b>	<b>12,086.62</b>	<b>115.50</b>
<b>Depreciation</b>												
At 1 April 2013	-	-	200.84	1,234.85	42.67	19.82	52.52	112.58	16.68	0.70	1,680.66	26.41
Addition on account of amalgamation (refer Annx XLII)	-	-	40.03	174.12	3.98	1.02	1.02	33.38	-	-	253.55	-
Charge for the year (i)	-	0.35	94.13	461.28	28.01	6.34	6.71	52.66	4.50	0.56	654.54	20.69
Disposals	-	-	(0.07)	(29.56)	(0.04)	-	(44.11)	-	(1.23)	-	(75.01)	-
<b>At 31 March 2014</b>	<b>-</b>	<b>0.35</b>	<b>334.93</b>	<b>1,840.69</b>	<b>74.62</b>	<b>27.18</b>	<b>16.14</b>	<b>198.62</b>	<b>19.95</b>	<b>1.26</b>	<b>2,513.74</b>	<b>47.10</b>
Addition on account of amalgamation (refer Annx XLII)	-	-	52.54	434.43	18.81	4.89	1.93	-	7.42	-	520.02	-
Charge for the year	-	0.77	116.49	733.99	46.16	8.25	26.99	15.73	8.54	0.42	957.34	17.51
Disposals	-	-	(0.54)	(70.61)	(0.41)	0.02	0.06	-	(6.22)	-	(77.70)	-
<b>At 31 March 2015</b>	<b>-</b>	<b>1.12</b>	<b>503.42</b>	<b>2,938.50</b>	<b>139.18</b>	<b>40.34</b>	<b>45.12</b>	<b>214.35</b>	<b>29.69</b>	<b>1.68</b>	<b>3,913.40</b>	<b>64.61</b>
<b>Net Block</b>												
<b>At 31 March 2015</b>	<b>858.44</b>	<b>41.89</b>	<b>3,175.37</b>	<b>3,326.52</b>	<b>289.47</b>	<b>69.01</b>	<b>72.67</b>	<b>294.94</b>	<b>44.90</b>	<b>0.01</b>	<b>8,173.22</b>	<b>50.89</b>
At 31 March 2014	794.40	0.58	2,575.48	2,869.65	224.19	52.03	53.09	310.67	33.43	0.43	6,913.95	12.38

**Capital work-in-progress**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
	<b>1,792.10</b>	1,134.57
	<b>1,792.10</b>	1,134.57

**Notes:**

(i) Out of the depreciation for the year ₹ 42.18 million (Tangible assets ₹ 22.67 million and Intangible assets ₹ 19.51 million) pertains to assets which has Nil useful life as at 1 April 2014. Accordingly, ₹ 27.58 million (Net of tax ₹ 14.60 million) is charged to General reserve as per transitional provision provided in Schedule II of the Companies Act, 2013.

(ii) Capital work-in-progress includes Machinery in transit ₹ 37.92 million (31 March 2014 : ₹ Nil)

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XIII****Restated Previous GAAP Unconsolidated Summary Statement of Non-current Investments**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>A) Trade investments (valued at cost unless otherwise stated)</b>		
<u>Unquoted equity instruments</u>		
<b>Investment in subsidiaries</b>		
Nil (31 March 2014 : 5,000,000) Equity shares of Jaisingh Wires Private Limited of ₹10 each fully paid up (Refer Note XLII)	-	50.13
2 (31 March 2014: Nil) Equity shares of Jaisingh Wires FZE UAE of AED 100,000 each fully paid up	<b>3.13</b>	-
Nil (31 March 2014 : 5,000,000) Equity shares of Polycab Wires Industries Private Limited of ₹10 each fully paid up (Refer Note XLII)	-	60.00
150,000 (31 March 2014 : 100,000) Equity shares of Polycab Wires Italy SRL of 1 Euro each fully paid up	<b>10.89</b>	7.01
Nil (31 March 2014 : 100,000) Equity shares of Polycab Electronics Private Limited of ₹10 each fully paid up (Refer Note XLII)	-	1.00
Nil (31 March 2014 : 1,000,000 ) Equity shares of Polycab Electrical Industries Private Limited of ₹10 each fully paid up (Refer Note XLII)	-	10.00
555,500 (31 March 2014 : Nil ) Equity shares of Tirupati Reels Private Limited of ₹10 each fully paid up	<b>5.56</b>	-
Nil (31 March 2014 : 50,000 ) Equity shares of Datar Nouveau Energietechnik Ltd of ₹10 each fully paid up (Refer Note XLII)	-	1.00
	<b>19.58</b>	129.14
<b>B) Non-trade investments (valued at cost unless stated otherwise)</b>		
10,000 (31 March 2014 : 10,000) Units of PNB Principal Growth Fund of face value ₹10 per unit	<b>0.20</b>	0.20
	<b>0.20</b>	0.20
	<b>19.78</b>	129.34
<hr/>		
Aggregate amount of quoted investments (Market value: ₹ 0.83) (31 March 2014: ₹ 0.65)	<b>0.20</b>	0.20
Aggregate amount of unquoted investments	<b>19.58</b>	129.14

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XIV**

**Restated Previous GAAP Unconsolidated Summary Statement of Loans and advances**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Unsecured, considered good unless stated otherwise</b>				
Capital advances	134.20	245.89	-	-
Security deposit	38.76	33.31	33.49	21.97
Loan and advances to related parties	-	728.28	17.29	302.00
Advances recoverable in cash or kind	-	14.73	766.03	754.11
	<b>172.96</b>	<b>1,022.21</b>	<b>816.81</b>	<b>1,078.08</b>
<b>Unsecured, considered Doubtful</b>				
Loan and advances to related parties*	-	16.90	-	-
Capital advances	45.20	13.51	-	-
	<b>45.20</b>	<b>30.41</b>	<b>-</b>	<b>-</b>
Less: Provision for doubtful advances	(45.20)	(30.41)	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>172.96</b>	<b>1,022.21</b>	<b>816.81</b>	<b>1,078.08</b>

\*Includes provision of ₹ Nil (31 March 14: ₹ 16.90 million) for loan given to subsidiary Polycab Wires Italy S.R.L (refer Annexure XLVII)

**Other loans and advances**

Advance income-tax (net of provision for taxation)	25.06	11.09	-	-
Prepaid expenses	2.19	12.99	36.16	63.74
Loans to employees	-	-	11.72	5.11
Balances with Statutory/Government authorities	334.26	150.25	1,452.79	706.44
	<b>361.51</b>	<b>174.33</b>	<b>1,500.67</b>	<b>775.29</b>
<b>Total</b>	<b>534.47</b>	<b>1,196.54</b>	<b>2,317.48</b>	<b>1,853.37</b>

**Annexure XV**

**Restated Previous GAAP Unconsolidated Summary Statement of Other assets**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances (refer Annx XVIII)	11.77	67.03	-	-
Unamortised premium on forward contract	-	-	-	0.09
	<b>11.77</b>	<b>67.03</b>	<b>-</b>	<b>0.09</b>
<b>Others</b>				
Unbilled Revenue (refer Annexure XXIX)	-	-	59.11	-
Interest accrued on fixed deposits	-	-	5.06	6.83
Asset held for disposal	-	-	56.15	41.20
Others	-	-	75.82	70.80
	<b>-</b>	<b>-</b>	<b>196.14</b>	<b>118.83</b>
<b>Total</b>	<b>11.77</b>	<b>67.03</b>	<b>196.14</b>	<b>118.92</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XVI**

**Restated Previous GAAP Unconsolidated Summary Statement of Inventories (valued at lower of cost and net realizable value)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Raw materials (includes goods in transit ₹ 815.61 million (31 March 2014: ₹ 59.81 million))	2,760.58	928.37
Stock in Trade	419.28	47.22
Work-in-progress	1,114.98	2,267.34
Finished goods	4,490.95	2,398.72
Packing materials	53.93	21.61
Scrap materials	104.36	54.73
Stores and spares (includes goods in transit ₹ 15.47 million (31 March 2014: ₹ 2.88 million))	102.03	62.27
<b>Total</b>	<b>9,046.11</b>	<b>5,780.26</b>

**Annexure XVII**

**Restated Previous GAAP Unconsolidated Summary Statement of Trade receivables**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, considered good	-	-	1,162.81	924.53
Unsecured, considered doubtful	-	-	710.10	615.98
	-	-	<b>1,872.91</b>	1,540.51
Provision for doubtful receivables	-	-	<b>(710.10)</b>	(615.98)
	-	-	<b>1,162.81</b>	924.53
<b>Other receivables</b>				
Unsecured, considered good	68.27	-	9,646.99	7,319.53
	<b>68.27</b>	-	<b>9,646.99</b>	7,319.53
<b>Total</b>	<b>68.27</b>	-	<b>10,809.80</b>	8,244.06

**Annexure XVIII**

**Restated Previous GAAP Unconsolidated Summary Statement of Cash and bank balances**

	Non-current		Current	
	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
On current accounts	-	-	146.99	128.98
Deposits with original maturity of less than three months	-	-	0.95	0.03
Cheques on hand	-	-	3.99	11.79
Cash on hand	-	-	4.88	1.84
	-	-	<b>156.81</b>	142.64
<b>Other bank balances</b>				
Deposits with original maturity for more than 12 months	11.77	67.03	20.18	128.25
Deposits with original maturity for more than 3 months but less than 12 months	-	-	55.73	-
Margin money deposit*	-	-	0.01	0.01
	<b>11.77</b>	67.03	<b>75.92</b>	128.26
Amount disclosed under non-current assets (refer Annexure XV)	<b>(11.77)</b>	(67.03)	-	-
	-	-	<b>232.73</b>	270.90

\* Margin Money deposit given as a security against bill discounting.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XIX****Restated Previous GAAP Unconsolidated Summary Statement of Revenue from operations**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Finished goods	45,689.59	41,192.75
Stock in Trade	2,212.74	14.06
Revenue from Construction Contracts (refer Annexure XXIX)	1,958.21	-
<b>Other operating revenue</b>		
Export incentives	61.74	67.77
Scrap sales	1,105.62	1,110.03
<b>Revenue from operations (gross)</b>	<b>51,027.90</b>	<b>42,384.61</b>
Less: Excise duty#	4,053.18	4,055.14
<b>Revenue from operations (net)</b>	<b>46,974.72</b>	<b>38,329.47</b>

#Excise duty on sales amounting to ₹ 4053.18 million (31 March 2014: ₹4055.14 million) has been reduced from sales in Statement of Profit & Loss and decrease in excise duty on stock amounting to ₹ 184.72 million (31 March 2014: ₹ (29.50) million) has been considered as expense in Annexure XXVI.

**Details of products sold****Finished goods sold**

Electric wires and cables	45,585.66	41,051.67
Others	103.93	141.08
	<b>45,689.59</b>	<b>41,192.75</b>

**Traded goods sold**

Electric wiring accessories	118.94	6.90
Electric Appliances	1,110.23	3.99
Metals	831.64	-
Others	151.93	3.17
	<b>2,212.74</b>	<b>14.06</b>

**Annexure XX****Restated Previous GAAP Unconsolidated Summary Statement of Other income**

		31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Recurring other income</b>	<b>Related/Not related to normal business activity</b>		
<b>Interest income on</b>			
Bank deposits	Not Related	12.54	19.68
Others	Not Related	12.95	29.31
<b>Non-Recurring other income</b>			
Sundry balances written back	Related	0.52	-0.00
Miscellaneous Income	Not Related	27.84	26.48
		<b>53.85</b>	<b>75.47</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXI****Restated Previous GAAP Unconsolidated Summary Statement of Cost of raw materials consumed**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Inventory at the beginning of the year	928.37	1,430.56
Addition on account of amalgamation (refer Annexure - XLII)	32.58	18.33
Add: Purchases during the year	<u>35,514.58</u>	<u>29,554.96</u>
	<u>36,475.53</u>	<u>31,003.85</u>
Less: Inventory at the end of the year	<u>2,760.58</u>	<u>928.37</u>
	<u><u>33,714.95</u></u>	<u><u>30,075.48</u></u>

Raw materials consumed includes costs incurred for manufacturing of finished goods which have been internally used for project (EPC) business.

**Details of raw material consumed**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Copper	19,361.93	18,010.09
Aluminium	6,562.00	5,007.90
Steel	1,815.11	1,741.95
PVC Compound/HDPE/LDPE/XLPE/Resin	5,519.68	4,821.05
Others	<u>456.23</u>	<u>494.49</u>
	<u><u>33,714.95</u></u>	<u><u>30,075.48</u></u>

**Details of raw material inventory**

	As at 31 March 2015 (₹ million)	As at 31 March 2014 (₹ million)
Copper	811.36	242.16
Aluminium	547.75	105.88
Steel	532.57	58.98
PVC Compound/HDPE/LDPE/XLPE/Resin	696.28	330.05
Others	<u>172.62</u>	<u>191.30</u>
	<u><u>2,760.58</u></u>	<u><u>928.37</u></u>

**Annexure XXII****Restated Previous GAAP Unconsolidated Summary Statement of Purchase of traded goods**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Electric wiring accessories	311.98	14.66
Electric appliance	850.61	29.89
Metals	812.32	-
Others	<u>159.07</u>	<u>23.98</u>
	<u><u>2,133.98</u></u>	<u><u>68.53</u></u>



**Annexure XXIII****Restated Previous GAAP Unconsolidated Summary Statement of Changes in inventories of finished goods, work-in-progress, Stock-in-Trade & scrap**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Inventories at the end of the year</b>		
Work-in-progress	1,114.98	2,267.34
Finished goods	4,490.95	2,398.72
Stock in Trade	419.28	47.22
Scrap materials	104.36	54.73
	<b>6,129.57</b>	<b>4,768.01</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	2,267.34	2,139.67
Finished goods	2,398.72	2,355.16
Stock in Trade	47.22	-
Scrap materials	54.73	88.06
<b>Addition on account of Amalgamation (refer Annexure - XLII)</b>		
Work-in-progress	83.16	-
Finished goods	7.59	-
Stock in Trade	77.18	-
Scrap materials	0.31	-
	<b>4,936.25</b>	<b>4,582.89</b>
<b>(Increase)/Decrease in Inventories</b>	<b>(1,193.32)</b>	<b>(185.12)</b>

**Details of inventory**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Work-in-progress</b>		
Electrical Wires and cables	1,114.98	2,267.34
	<b>1,114.98</b>	<b>2,267.34</b>
<b>Finished goods</b>		
Electrical Wires and cables	4,490.95	2,398.72
	<b>4,490.95</b>	<b>2,398.72</b>
<b>Stock-in-trade</b>		
Electric wiring accessories	255.92	47.22
Electric Appliances	163.36	-
	<b>419.28</b>	<b>47.22</b>

**Annexure XXIV****Restated Previous GAAP Unconsolidated Summary Statement of Project bought outs and other costs**

Particulars	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Project bought outs	1,225.17	-
Subcontracting Expenses	180.77	-
	<b>1,405.94</b>	<b>-</b>

**Annexure XXV****Restated Previous GAAP Unconsolidated Summary Statement of Employee benefits expenses**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Salaries, wages and bonus	1,440.40	978.60
Contribution to provident and other funds (refer Annexure XXXI)	117.75	126.02
Staff welfare expenses	38.05	34.76
	<b>1,596.20</b>	<b>1,139.38</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXVI**

**Restated Previous GAAP Unconsolidated Summary Statement of Other expenses**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Consumption of stores and spares	219.14	166.44
Consumption of packing materials	875.97	768.81
Sub-contracting expenses	213.30	566.87
(Increase)/Decrease of excise duty on inventory	184.72	(29.50)
Power and fuel	757.79	563.79
Rent	47.25	25.54
Rates and taxes	58.20	78.48
Insurance	14.42	10.50
Repairs and maintenance		
Plant and machinery	107.17	71.82
Buildings	45.12	27.04
Others	45.44	31.65
Advertising and sales promotion	426.39	152.00
Brokerage and commission	300.55	306.33
Travelling and conveyance	114.02	66.91
Communication cost	19.63	16.06
Legal and professional fees	135.81	114.07
Freight & forwarding expenses	746.89	496.79
Payment to auditor (refer details below)	9.72	7.91
Bad debts written-off and Provision for doubtful debts (net) (refer note below)	340.20	440.77
Provision for doubtful advances (net)	42.94	25.20
Sundry balances written off	7.93	11.69
Fixed assets discarded	7.19	38.88
Exchange differences (net)	80.84	301.46
Miscellaneous expenses #	175.85	180.11
	<b>4,976.48</b>	<b>4,439.62</b>

# Includes ₹0.34 million (31 March 2014 - ₹ Nil) incurred towards corporate social responsibility activities.

**Payment to auditor (excluding Service tax)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>As auditor:</b>		
Statutory audit fees {including branch auditor fees ₹ Nil (31 March 2014 - ₹ 0.19 million)}	9.35	6.69
Other services	0.27	1.05
Reimbursement of expenses	0.10	0.17
	<b>9.72</b>	<b>7.91</b>

**Note :**

The Company has written-off bad debts aggregating to ₹ 168.73 million (31 March 2014: ₹ 443.27 million), of which ₹ 77.02 million (31 March 2014: ₹ 262.38 million) has been adjusted against Provision for doubtful debts created in earlier years. In addition to the aforesaid, the Company provided ₹ 248.49 million (31 March 2014: ₹ 259.88 million) for doubtful debts in the current year.

**Annexure XXVII**

**Restated Previous GAAP Unconsolidated Summary Statement of Depreciation and amortization expense**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Depreciation of tangible assets	957.34	631.87
Amortisation of intangible assets	17.51	1.17
	<b>974.85</b>	<b>633.04</b>

**Annexure XXVIII**

**Restated Previous GAAP Unconsolidated Summary Statement of Finance costs**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Interest expenses	955.84	808.05
Others	120.86	96.58
	<b>1,076.70</b>	<b>904.63</b>

**Annexure XXIX**

**Restated Previous GAAP Unconsolidated Summary Statement of Disclosure in terms of revised Accounting Standard 7 on the accounting of Construction Contract is as under**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
a) Contract Revenue recognised for the year	1,958.21	-
b) Contract that are in progress as on 31 March	-	-
(i) Contract costs incurred and recognised profits (less recognised losses)	1,958.21	-
(ii) Amount of advances received	-	-
(iii) Amount of retentions	68.27	-
(iv) Recognised and included in the financial statements as amount due :		
- from customer under construction contract	59.11	-
- to customer under construction contract	-	-

**Annexure XXX**

**Restated Previous GAAP Unconsolidated Summary Statement of Earnings per share (EPS)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Profit after tax as per Statement of Profit & Loss for calculation of basic EPS	1,571.01	854.34
<b>Weighted average number of equity shares in calculating diluted EPS (In Million)</b>	<b>141.21</b>	<b>141.21</b>
<b>Earnings per equity shares</b>		
EPS As stated	11.13	12.10
EPS Restated *	11.13	6.05
<b>Earnings per equity shares</b>		
Basic and diluted (Restated)	<b>11.13</b>	<b>6.05</b>

\* For 31 March 2014 EPS has been restated due to increase in outstanding share as a result of bonus shares issued during the year 2014-15.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXI****Restated Previous GAAP Unconsolidated Summary Statement of Employee benefits****a. Defined benefit plan- As per actuarial valuation**

The Company operates one defined plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for gratuity.

**Statement of Profit and Loss****Net employee benefits expense recognised in the employee cost:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Current service cost	23.84	17.72
Interest cost on benefit obligation	12.49	7.30
Expected return on plan assets	(5.36)	(4.96)
Net actuarial loss recognized in the year	12.48	40.96
<b>Net benefit expense</b>	<b>43.45</b>	<b>61.02</b>
Actual return on plan assets	7.09	5.75

**Balance Sheet****Benefit liability**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Present value of defined benefit obligation	(210.82)	(147.65)
Fair value of plan assets	91.93	70.98
<b>Plan liability</b>	<b>(118.89)</b>	<b>(76.67)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Opening defined benefit obligation *	147.65	91.27
Liability Transfer on account of Amalgamation	22.38	
Current service cost	23.84	17.72
Interest cost	12.48	7.30
Benefits paid	(9.75)	(10.39)
Actuarial losses on obligation	14.22	41.75
<b>Closing defined benefit obligation</b>	<b>210.82</b>	<b>147.65</b>

**Changes in the fair value of plan assets are as follows:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
<b>Opening fair value of plan assets **</b>	<b>70.98</b>	<b>56.98</b>
Liability Transfer on account of Amalgamation	10.73	-
Expected return	5.95	4.96
Contribution by employer	12.28	18.95
Benefits paid	(9.75)	(10.39)
Transferred to other companies	-	(0.31)
Actuarial gains	1.74	0.79
<b>Closing fair value of plan assets</b>	<b>91.93</b>	<b>70.98</b>

The Company expects to contribute ₹ 56.06 million to gratuity in the next year (31 March 2014: ₹ 44.68 million)

\* includes defined benefit obligations of ₹ Nil (31 March 14: ₹ 21.08 million) on account of amalgamation of PCIPL (refer Annexure XI)

\*\* includes plan assets of ₹ Nil (31 March 14: ₹ 11.85 million) on account of amalgamation of PCIPL (refer Annexure XLII)

**Current & Non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:**

	31 March 2015	31 March 2014
Current	56.06	44.68
Non-current	62.83	31.99

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31 March 2015	31 March 2014
Investment with insurer	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	31 March 2015	31 March 2014
Discount rate	7.98%	9.03%
Expected rate of return on assets	7.98%	8.70%
Employee turnover	10.00%	8.00%
Salary escalation	12.00%	12.00%

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.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current and previous years are as follows:

	31 March 2015 (₹ million)	31 March 2014 (₹ million)	31 March 2013 (₹ million)	31 March 2012 (₹ million)	31 March 2011 (₹ million)
<b>Gratuity</b>					
Defined benefit obligation	(210.82)	(147.65)	(70.19)	(45.91)	(22.16)
Plan assets	91.93	70.98	45.13	36.52	12.20
Deficit	(118.89)	(76.67)	(25.06)	(9.39)	(9.96)
Experience adjustments on plan liabilities	4.87	1.71	5.67	5.77	0.06
Experience adjustments on plan assets	1.74	0.79	4.89	1.49	0.24

**b. Defined contribution plan**

The Company has recognised expenses towards defined contribution plan as under

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Contribution to provident fund	49.96	38.41

**Annexure XXXII****Restated Previous GAAP Unconsolidated Summary Statement of Leases****Operating lease: Company as lessee**

The Company has taken industrial premises, residential building, land (space for godowns) under various lease agreements. There are no restrictions placed upon the Company by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Lease payment for the year	32.79	12.48
Within one year	30.60	14.11
After one year but not more than five years	37.30	18.26
More than five years	-	-

**Annexure XXXIII****Restated Previous GAAP Unconsolidated Summary Statement of Capital and other commitments**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Estimated amounts of contracts remaining to be executed on account of capital account and not provided for	1,662.06	1,161.32

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXIV****Restated Previous GAAP Unconsolidated Summary Statement of Contingent liabilities (to the extent not provided for)**

	<b>31 March 2015</b>	31 March 2014
	<b>(₹ million)</b>	(₹ million)
<b>a) Guarantees</b>		
(i) Guarantees given by the Company's bankers on behalf of Company	<b>1,139.94</b>	2,769.88
(ii) Liability towards bank against channel financing facility	<b>291.06</b>	1,058.70
<b>b) Other matters for which Company is contingently liable</b>		
(i) Taxation matters		
(a) Sales tax/ Value added tax (VAT)		
Disputed liability in respect of sales tax demand	<b>0.11</b>	0.11
Pending C forms	<b>16.29</b>	38.11
(b) Disputed liability in respect of excise duty demand	<b>22.94</b>	26.40
(c) Disputed liability in respect of entry tax demand	-	0.78
(d) Disputed liability in respect of Income tax demand	-	0.33

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXV**

**Restated Previous GAAP Unconsolidated Summary Statement of Segment Information**

**A) Primary Segment Reporting (by Business Segment)**

The Company is primarily engaged in the business of manufacture and sale of electric wires and cables. The Company has identified business segments as primary segments, namely electric wires and cables, Fast moving electrical goods & others business., which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segment.

-Fast moving electrical goods (FMEG) business comprises business covering electric wiring accessories and electric appliances.

- Other business comprises EPC business which includes design, engineering, supply, execution and commissioning of power distribution & rural electrification projects.

(₹ million)

	2014-15					2013-14				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
<b>Income</b>										
External Sales	43,787.35	1,229.16	1,958.21	-	46,974.72	38,318.58	10.89	-	-	38,329.47
Inter Segment Revenue	307.71	-	-	(307.71)	-	-	-	-	-	-
<b>Total Income</b>	<b>44,095.06</b>	<b>1,229.16</b>	<b>1,958.21</b>	<b>(307.71)</b>	<b>46,974.72</b>	<b>38,318.58</b>	<b>10.89</b>	<b>-</b>	<b>-</b>	<b>38,329.47</b>
<b>SEGMENT RESULTS</b>										
Segment/Operating Results	3,287.63	(97.15)	203.51	-	3,393.99	2,197.88	(12.87)	-	-	2,185.02
<b>Un-allocated Items:</b>										
Financial Income	-	-	-	-	25.50	-	-	-	-	48.99
Finance Costs	-	-	-	-	1,076.70	-	-	-	-	904.63
<b>Profit before tax</b>					<b>2,342.79</b>					<b>1,329.38</b>
Provision for Taxation	-	-	-	-	771.78	-	-	-	-	475.04
<b>Net Profit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,571.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>854.34</b>
<b>OTHER INFORMATION</b>										
Segment Assets	31,350.94	1,199.09	925.71	(512.33)	32,963.41	25,218.65	24.31	-	-	25,242.97
Un-allocated Assets	-	-	-	-	289.35	-	-	-	-	478.36
<b>Total Assets</b>					<b>33,252.76</b>					<b>25,721.32</b>
Segment Liabilities	9,747.10	831.84	602.60	(512.33)	10,669.21	7,051.35	-	-	-	7,051.35
Un-allocated Liabilities & Provisions	-	-	-	-	6,330.10	-	-	-	-	5,022.20
<b>Total Liabilities</b>	<b>9,747.10</b>	<b>831.84</b>	<b>602.60</b>	<b>(512.33)</b>	<b>16,999.30</b>	<b>7,051.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,073.55</b>
Depreciation & Amortisation Expenses	974.62	0.21	0.02	-	974.85	633.04	-	-	-	633.04
Total Cost incurred during the year to acquire Segment Assets	2,141.66	69.05	0.49	-	2,211.20	1,914.16	-	-	-	1,914.16

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXV****Restated Previous GAAP Unconsolidated Summary Statement of Segment Information****B) Secondary Segment Information**

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India.)

	31 March 2015			31 March 2014		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	44,245.10	2,729.62	46,974.72	35,216.50	3,112.97	38,329.47
Segment Assets	32,689.87	562.90	33,252.76	24,566.11	1,155.22	25,721.32
Capital Expenditure incurred	2,211.20	-	2,211.20	1,914.16	-	1,914.16

**Annexure XXXVI****Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures**

(a) Names of related parties and related party relationship	Nature of Relationship
<b>Related parties where control exists</b>	
Jaisingh Wires Private Limited (JWPL)	
Polycab Wires Industries Private Limited (PW IPL)	Subsidiary Company (Amalgamated with Polycab India Limited (formerly known as 'Polycab Wires Private Limited' and 'Polycab Wires Limited')) w.e.f. 01 April 2014)
Polycab Electrical Industries Private Limited (PEIPL)	
Polycab Electronics Private Limited (PEPL)	
Datar Nouveau Energietechnik Limited (DNEL)	
Polycab Wires Italy SRL (PWISRL)	Subsidiary Company
Tirupati Reels Private Limited (TRPL)	Subsidiary Company (w.e.f. 11.02.2015)
Jaisingh Wires FZE (JWFZE)	Step down Subsidiary Company
<b>(b) Key Management personnel</b>	
Mr. Inder T. Jaisinghani (ITJ)	Chairman and Managing Director
Mr. R. Ramakrishnan	Vice Chairman, Joint Managing Director & Group CEO *
Mr. Ramesh T. Jaisinghani (RTJ)	Whole time Director
Mr. Ajay T. Jaisinghani (ATJ)	Whole time Director
Mr. Shyam Lal Bajaj	Chief Financial officer and Whole time Director - Finance (w.e.f. 15 December 2016)
Mr. Chandrashekar Ponnuswamy	President & Group CFO (up to 15 June 2016)
Mr. Subramaniam Sai Narayana	Company Secretary
* Mr. R. Ramakrishnan was Joint Managing Director & Group CEO of the Company till 23 May 2018.	
<b>(c) Enterprises owned or significantly influenced by key managerial personnel</b>	
MicroCab Industries & Logistics Private Limited (MILPL)	
Jaisingh Finance Private Limited (JFPL)	
<b>(d) Relatives of Key Management personnel</b>	
Ms. Aarti A. Jaisinghani	Wife of Mr. Ajay T. Jaisinghani
Mr. Bharat A. Jaisinghani	Son of Mr. Ajay T. Jaisinghani
Ms. Deepika R. Jaisinghani	Daughter of Mr. Ramesh Jaisinghani
Mr. Girdhari T. Jaisinghani (GTJ)	Brother of Mr. Inder T. Jaisinghani
Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Ms. Mrinalini R. Jaisinghani	Daughter of Mr. Ramesh Jaisinghani
Mr. Nikhil R. Jaisinghani	Son of Mr. Ramesh T. Jaisinghani
Ms. Raju G. Jaisinghani	Wife of Mr. Girdhari T. Jaisinghani
Ms. Reena R. Jaisinghani	Wife of Mr. Ramesh Jaisinghani
Ms. Shikha I. Jaisinghani	Daughter of Mr. Inder T. Jaisinghani
Ajay T. Jaisinghani (HUF)	ATJ is Karta of HUF
Girdhari T. Jaisinghani (HUF)	GTJ is Karta of HUF
Inder T. Jaisinghani (HUF)	ITJ is Karta of HUF
Ramesh T Jaisinghani (HUF)	RTJ is Karta of HUF



**Annexure XXXVI**

**Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures**

**Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

**a. Transactions with Subsidiaries/Fellow Subsidiaries/Enterprises Significantly influenced**

(₹ million)

Particulars	JWPL		PWPL		PEIPL		PEPL		DNEL		PWISRL		JWFZE		JFPL		MILPL		TRPL		
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
Sale of goods	-	4.72	-	41.33	-	30.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	317.96	-	-	-	-	-	-	-	-	-	-	1,936.27	269.03	-	-	-	-	-	-	-
Job work charges	-	225.32	-	171.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty Income	-	-	-	-	-	1.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-	-	-	37.39	9.50	-	0.22	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Paid	-	0.48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.40	2.40	-	-	-
Purchase of fixed assets	-	0.08	-	0.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	1.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Subsidiary	-	-	-	-	-	10.00	-	1.00	-	1.00	3.87	-	-	-	-	-	-	-	-	5.56	-
Advance given to related party	-	-	-	-	-	-	-	-	-	-	-	-	-	302.00	-	-	-	-	-	-	-
Loans given to related party	-	-	-	407.90	-	124.85	-	1.06	-	29.61	8.02	13.38	-	-	-	-	-	-	-	-	-
Loan given repaid	-	-	-	152.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.38	-	-	-	-	-
Interest paid on loan taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.42	-	-	-	-	-
Loan repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.86	-	-	-	-	-
Provision for loan	-	-	-	-	-	-	-	-	-	-	-	16.90	-	-	-	-	-	-	-	-	-
<b>Balances at year end</b>																					
Loans & advance	-	-	-	570.58	-	125.03	-	3.06	-	29.61	24.93	-	-	302.00	-	-	-	0.11	-	-	-
Receivables	-	-	-	-	-	32.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security deposits	-	5.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	-	3.46	-	-	-	-	-	-	-	-	29.77	-	143.42	-	-	-	-	-	-	-	-

Annexure XXXVI

Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures

Related party transactions

b. Transactions with Directors and their relatives

(₹ million)

	Year ended	Loans Taken	Addition on account of amalgamation	Repayment	Interest Paid	Interest accrued	Payable to related parties
<b>Loan From Directors</b>							
Mr. Ajay T. Jaisinghani	31-Mar-15	-	-	188.69	1.52	0.11	0.11
	31-Mar-14	10.00	172.23	18.00	6.46	7.17	176.44
Mr. Inder T. Jaisinghani	31-Mar-15	-	-	11.45	0.10	0.01	0.01
	31-Mar-14	0.29	10.03	4.50	0.36	0.49	9.78
Mr. Ramesh T. Jaisinghani	31-Mar-15	-	-	60.79	0.44	0.24	0.24
	31-Mar-14	12.19	-	0.60	1.32	1.68	42.09
<b>Loan from relatives of directors</b>							
Ms. Aarti T. Jaisinghani	31-Mar-15	-	-	36.33	0.53	-	-
	31-Mar-14	-	24.79	-	1.31	1.45	36.33
Mr. Bharat A. Jaisinghani	31-Mar-15	-	-	3.30	-*	0.04	0.04
	31-Mar-14	-	0.26	-	0.01	0.01	0.26
Ms. Deepika R. Jaisinghani	31-Mar-15	-	-	2.75	-*	-	-
	31-Mar-14	-	-	-	0.10	0.11	2.75
Mr. Girdhari T. Jaisinghani	31-Mar-15	-	-	28.36	0.20	0.19	0.19
	31-Mar-14	2.20	-	0.50	0.49	0.54	13.70
Mr. Kunal I. Jaisinghani	31-Mar-15	-	-	1.70	-*	-	-
	31-Mar-14	-	-	-	0.06	0.07	1.70
Ms. Mrinalini R. Jaisinghani	31-Mar-15	-	-	1.79	-*	-	-
	31-Mar-14	-	-	-	0.06	0.07	1.79
Mr. Nikhil R. Jaisinghani	31-Mar-15	-	-	3.04	-	0.04	0.04
	31-Mar-14	-	-	0.19	-	0.01	-
Ms. Raju G. Jaisinghani	31-Mar-15	-	-	2.33	-*	0.01	0
	31-Mar-14	-	-	0.50	0.07	0.07	1.78
Ms. Reena R. Jaisinghani	31-Mar-15	-	-	77.83	0.08	0.59	0.59
	31-Mar-14	-	-	-	0.27	0.30	7.45
Ms. Shikha I. Jaisinghani	31-Mar-15	-	-	-	-	-	-
	31-Mar-14	-	-	0.08	-	-*	0.08

\* Amount less than Rs. 50,000/-

	Year ended	Loans Taken	Addition on account of amalgamation	Repayment	Interest Paid	Interest accrued	Payable to related parties
Ajay T. Jaisinghani (HUF)	31-Mar-15	0.02	-	0.64	0.01	-	-
	31-Mar-14	-	-	0.01	0.02	0.02	0.62
Inder T. Jaisinghani (HUF)	31-Mar-15	-	-	1.75	0.03	-	-
	31-Mar-14	-	-	0.01	0.06	0.07	1.75
Girdhari T. Jaisinghani (HUF)	31-Mar-15	-	-	2.37	0.03	-	-
	31-Mar-14	-	-	0.01	0.09	0.09	2.37
Ramesh T. Jaisinghani (HUF)	31-Mar-15	-	-	1.74	0.03	-	-
	31-Mar-14	-	-	0.01	0.06	0.07	1.74

Loans taken from related parties carry interest @ 4% p.a. and are repayable on demand.

c. Remuneration paid

	31 March 2015	31 March 2014
Mr. Bharat A. Jaisinghani (Designated Director)	4.83	2.91
Mr. Nikhil R. Jaisinghani (Designated Director)	4.83	2.91

d. Rent paid

Name of the Director/Relative	31 March 2015	31 March 2014
Mr. Inder T. Jaisinghani	0.10	0.10

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXXVI**

**Restated Previous GAAP Unconsolidated Summary Statement of Related party disclosures**

**d. Remuneration to key managerial personnel**

	31 March 2015 (₹ million)				31 March 2014 (₹ million)		
	Salary	Perquisite	Commission	Total	Salary	Perquisite	Total
Mr. Inder T. Jaisinghani (Chairman and Managing Director)	19.13	0.24	8.88	28.25	7.51	-	7.51
Mr. R. Ramakrishnan (Vice Chairman, Joint MD & Group CEO)	25.01	0.31	-	25.32	25.00	-	25.00
Mr. Ramesh T. Jaisinghani (Whole Time Director)	14.57	0.02	-	14.59	7.51	-	7.51
Mr. Ajay T. Jaisinghani (Whole Time Director)	14.57	0.14	-	14.71	7.51	-	7.51
Mr. Chandrashekar Ponnuswamy (President & Group CFO)	10.60	-	-	10.60	9.16	-	9.16
Mr. Subramaniam Sai Narayana (Company Secretary)	1.75	-	-	1.75	1.23	-	1.23
<b>Total</b>	<b>85.63</b>	<b>0.71</b>	<b>8.88</b>	<b>95.22</b>	<b>57.92</b>	<b>-</b>	<b>57.92</b>

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Perquisite includes contribution towards life insurance premium under the scheme of Life Insurance Corporation of India for the benefit of directors.

**Directors Remuneration payable:**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Mr. Inder T. Jaisinghani (Chairman and Managing Director)	10.12	0.45
Mr. Ramesh T. Jaisinghani (Whole Time Director)	2.61	0.45
Mr. Ajay T. Jaisinghani (Whole Time Director)	2.61	0.45
Mr. R. Ramakrishnan (Vice Chairman, Joint MD & Group CEO)	12.84	7.90
Mr. Chandrashekar Ponnuswamy (President & Group CFO)	0.70	1.38
Mr. Subramaniam Sai Narayana (Company Secretary)	0.14	0.12
<b>Total</b>	<b>29.02</b>	<b>10.75</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XXXVII**

**Restated Previous GAAP Unconsolidated Summary Statement of Derivative instruments and unhedged foreign currency exposure**

**a. Derivatives outstanding as at the reporting date**

Particulars	Purpose
<b>Forward contract to sell US\$</b>	
US\$ NIL (31 March 2014: USD 0.52 million )	Hedge of export receivables
<b>Forward contract to Buy US\$</b>	
US\$ NIL (31 March 2014: USD 0.50 million)	Hedge against underlying liability towards foreign currency loans

**b. Particulars of Unhedged Foreign Currency Exposures as at the reporting date**

(₹ million)

Particulars	
Import trade payable	Euro 0.13 (31 March 2014: Euro 0.21) [ ₹8.75 (31 March 2014: ₹17.46)] US\$ 2.43 (31 March 2014: US\$ 4.06) [ ₹152.03 (31 March 2014: ₹244.22)] GBP 0.02 (31 March 2014: GBP Nil ) [ ₹1.76 (31 March 2014: ₹Nil )]
Export trade receivable	Euro 0.91 (31 March 2014: 4.52) [ ₹61.50 (31 March 2014: ₹373.63)] GBP 0.71 (31 March 2014: 1.87) [ ₹65.49 (31 March 2014: ₹186.65)] US\$ 0.63 (31 March 2014: 3.39) [ ₹39.11 (31 March 2014: ₹203.90)]
Foreign Currency Loan	Euro 2.37 (31 March 2014: 1.29) [ ₹159.90 (31 March 2014: ₹105.90)] US\$ 34.71 (31 March 2014: 23.83) [ ₹2173.02 (31 March 2014: ₹1428.07)]
Interest payable - Foreign Currency Loan	Euro 0.01 (31 March 2014: 0.01 ) [ ₹0.61 (31 March 2014: ₹0.62)] US\$ 0.03 (31 March 2014: 0.05) [ ₹1.98 (31 March 2014: ₹3.06)]

**c. Commodity hedging related risk as at the reporting date**

Quantity in MT

Particulars	Buy/Sell	Quantity in MT	
		31 March 2015	31 March 2014
Copper	Buy	-	2400
	Sell	900	1700
Aluminium	Buy	-	450
	Sell	300	450

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**  
(Amounts in INR million, unless otherwise stated)

**Annexure XXXVIII**

**Restated Previous GAAP Unconsolidated Summary Statement of Value of imports calculated on CIF basis**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Raw materials	7,365.24	6,304.64
Stores and spares	30.56	16.50
Capital goods	558.16	107.30
	<b>7,953.96</b>	<b>6,428.44</b>

**Annexure XXXIX**

**Restated Previous GAAP Unconsolidated Summary Statement of Expenditure in foreign currency (on accrual basis)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Professional fees	3.07	1.06
Travelling and conveyance	0.58	1.98
Brokerage and commission	43.25	21.38
Interest on foreign currency loans	23.93	33.10
Others	25.69	8.21
	<b>96.52</b>	<b>65.73</b>

**Annexure XL**

**Restated Previous GAAP Unconsolidated Summary Statement of Earnings in foreign currency (on accrual basis)**

	31 March 2015 (₹ million)	31 March 2014 (₹ million)
Exports at FOB value	2,670.83	2,672.89
Others (insurance and freight)	60.02	81.54
	<b>2,730.85</b>	<b>2,754.43</b>

**Annexure XLI**

**Restated Previous GAAP Unconsolidated Summary Statement of Imported and indigenous raw materials, stores and spare parts consumed**

	% of total consumption 31 March 2015	Value (₹ million) 31 March 2015	% of total consumption 31 March 2014	Value (₹ million) 31 March 2014
<b>Raw materials</b>				
Imported	42%	14,301.05	41%	12,264.98
Indigenously obtained	58%	19,413.90	59%	17,810.50
	<b>100%</b>	<b>33,714.95</b>	<b>100%</b>	<b>30,075.48</b>
<b>Stores and spare parts</b>				
Imported	17%	36.34	12%	20.56
Indigenously obtained	83%	182.80	88%	145.88
	<b>100%</b>	<b>219.14</b>	<b>100%</b>	<b>166.44</b>

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XLII**

**Restated Previous GAAP Unconsolidated Summary Statement of Amalgamation**

- A Pursuant to the scheme of amalgamation ('the Scheme') of the erstwhile Polycab Cables Industries Private Limited (PCIPL) ('transferor company') with the Company under section 391 to 394 of the Companies Act, 1956, sanctioned by the Hon'ble High Court of Bombay on 24th January, 2014, entire business and all assets and liabilities of the erstwhile, PCIPL, were transferred to and vested in the Company with effect from 1 April 2013, being the 'appointed date'. Accordingly, the Scheme has been given effect to in financial statements of the Company for the year ended 31 March 2014.

The transferor company was engaged in the businesses related to manufacture and sale of electric wires & cables including manufacturing on job work basis and wind power generation.

The amalgamation has been accounted for under 'pooling of interests' method as prescribed by Accounting Standard -14 Accounting for Amalgamation'. Accordingly, the accounting treatment has been given as under :

- i) The assets and liabilities as at 1 April 2013 were incorporated in the financial statements of the transferee company at their book values.
- ii) Debit balance in the Statement of Profit & Loss of transferor company as at 1 April 2013 aggregating to ₹ 163.66 million has been adjusted in "Surplus in Statement of Profit & Loss" of transferee company.
- iii) Deferred tax asset of transferor company as at 1 April 2013 aggregating to ₹ 79.89 million have been taken over and adjusted in Statement of Profit & Loss.
- iv) Accordingly, 1 million equity shares of ₹ 10 each fully paid up of PCIPL, held as long term investment in the books of transferee company stand cancelled.

- B Amalgamation of Jaisingh Wires Private Limited ('JWPL'), Polycab Wires Industries Private Limited ('PWIPL'), Polycab Electrical Industries Private Limited ('PEIPL'), Polycab Electronics Private Limited ('PEPL') and Datar Nouveau Energietechnik Ltd (DNEL) with Polycab India Limited (formerly known as 'Polycab Wires Private Limited' and 'Polycab Wires Limited') :

The Board of Directors of erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL ('transferor companies') in their meeting held on 7 May 2015, had decided to amalgamate JWPL, PWIPL, PEIPL, PEPL and DNEL with Polycab India Limited (formerly known as 'Polycab Wires Private Limited' and 'Polycab Wires Limited') (the 'Company') with retrospective effect from 1 April 2014. In accordance with Companies Act, 1956, these companies had filed application with the concerned high courts for the proposed amalgamation.

Pursuant to sanction of the proposed amalgamation by the Honourable High Court of Bombay vide its order dated 26 February 2016, and by the Honourable High Court of Delhi vide its order dated 18 March 2016, the assets and liabilities of the erstwhile JWPL, PWIPL, PEIPL, PEPL and DNEL were transferred to and vested in the Company. Copies of the said orders have been approved by Registrar of Companies on 31 May 2016, 1 June 2016 and 6 June 2016. Accordingly, the Scheme has been given effect to in the restated unconsolidated financial statements for year ended 31 March 2015. Consequently, the figures for the year ended 31 March 2015 are strictly not comparable to that of previous year.

The transferor companies have been engaged in the businesses related to manufacturing and trading of Cable and Wires, Switch gear and electrical appliances.

The amalgamation has been accounted for under 'pooling of interests' method as prescribed by AS -14 - Accounting for Amalgamations'. Accordingly, the accounting treatment has been given as under :

- i) The assets, liabilities, reserves and credit balance in the profit and loss account of transferor companies as at 01 April 2014 have been incorporated at their book values in the financial statements of the Company.
- ii) 5,000,000 equity shares of ₹10 each fully paid up of JWPL and investments in the equity shares held by the Company stands cancelled.
- iii) 5,000,000 equity shares of ₹10 each fully paid up of PWIPL and investments in the equity shares held by the Company stands cancelled.
- iv) 1,000,000 equity shares of ₹10 each fully paid up of PEIPL and investments in the equity shares held by the Company stands cancelled.
- v) 100,000 equity shares of ₹10 each fully paid up of PEPL and investments in the equity shares held by the Company stands cancelled.
- vi) 50,000 equity shares of ₹10 each fully paid up of DNEL and investments in the equity shares held by the Company stands cancelled.
- vii) The difference between investments of the Company in the respective transferrer companies and aggregate of share capital of respective transferrer companies amounting to ₹10.63 million has been adjusted to Surplus in the Statement of Profit and Loss, in accordance with Pooling of Interest method.
- viii) Consequent upon sanction of the scheme, the authorised share capital of the Company stood automatically increased by the authorised share capital of all the erstwhile transferee companies aggregating to ₹ 362.50 million comprising of 36.25 million equity share of ₹10 each.

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

**Annexure XLIII**

(₹ Millions)

**Restated previous GAAP Unconsolidated Summary Statement of Tax shelter**

Particulars		Three months	for the year ended				
		period ended	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
		June 30, 2018	IND AS*	IND AS*	IND AS*	IND AS*	Previous GAAP
Restated profit before taxes	A	1,203.75	5,763.77	3,596.21	2,671.73	2,342.79	1,329.38
Statutory tax rate	B	34.94%	34.61%	34.61%	34.61%	33.99%	33.99%
Tax at Statutory Rate (A*B)	C	420.64	1,994.84	1,244.65	924.69	796.31	451.86
<b>Adjustment for permanent differences</b>							
Interest on delay payment on tax		-	70.30	25.33	6.00	40.80	10.65
Loss/(profit) on Sale of Asset		-	(80.60)	1.36	14.76	9.85	39.04
Disallowances u/s 37 - Corporate Social Responsibility		9.16	58.60	21.34	17.24	0.34	-
Deduction u/s 80-IA		(20.60)	(82.50)	(69.20)	(67.28)	(57.59)	-
Investment allowances u/s 32AC		-	-	(224.59)	(152.32)	(79.50)	-
Other expenses disallowed/ (Other income not chargeable) as per Income Tax Act, 1961		-	9.25	(94.85)	(236.86)	1.64	(0.54)
<b>Total permanent differences</b>	D	<b>(11.44)</b>	<b>(24.95)</b>	<b>(340.61)</b>	<b>(418.46)</b>	<b>(84.46)</b>	<b>49.15</b>
<b>Adjustment for Timing Differences</b>							
Difference between book depreciation (restated) and tax depreciation		(20.61)	(103.10)	(108.40)	(100.80)	(40.42)	(41.81)
Bad debts written offs		73.68	267.90	72.30	(1.05)	197.51	22.70
Provision for Doubtful advances		-	6.50	-	-	-	-
Provision for employee benefit expenses- Disallowance of Gratuity under Section 40A(7) & Leave encashment, bonus and other disallowed under section 43B of Income-tax Act, 1961 (net)		-	184.60	(993.15)	49.33	18.34	103.11
Unabsorbed depreciation and carried forward losses		-	-	-	-	-	(480.49)
Other deductions		27.19	179.66	84.20	(19.20)	22.27	(0.36)
<b>Total timing differences</b>	E	<b>80.26</b>	<b>535.56</b>	<b>(945.05)</b>	<b>(71.72)</b>	<b>197.70</b>	<b>(396.85)</b>
Net Adjustments (D+E)	F	68.82	510.61	(1,285.66)	(490.18)	113.24	(347.70)
Tax expense/ (saving) thereon (F*B)	G	24.05	176.75	(444.97)	(169.65)	38.49	(118.18)
Mat credit entitlement							
Current Tax (C+G)	H	444.69	2,171.59	799.68	755.03	834.81	333.67
<b>Calculation of MAT</b>							
Taxable income (Book Profits) as per MAT	I	1,277.43	6,101.97	3,879.63	2,676.69	2,581.10	1,362.73
MAT Rate (%)	J	21.34%	21.34%	21.34%	21.34%	19.06%	21.34%
Tax liability as per MAT (I*J)	K	272.62	1,302.26	827.98	571.25	491.96	290.81
Current tax (higher of H or K)	L	444.69	2,171.59	827.98	755.03	834.81	333.67
Deferred tax	M	(23.25)	(114.18)	447.20	52.07	(63.03)	141.37
Total tax expenses (L+M)	N	421.44	2,057.41	1,275.18	807.10	771.78	475.04
Deferred tax on Other Comprehensive Income	O	1.14	9.20	(0.84)	(11.41)	-	-

\* The summary statement of Tax Shelter has been included in both Ind AS and previous GAAP Unconsolidated summary statement financial for showing the tax impact of each of the years ended 31 March 2014 to 31 March 2018 and three months period ended 30 June 2018.

**Annexure XLIV**

**Restated previous GAAP Unconsolidated Summary Statement of Dividend Paid**

Particulars	For the year ended	
	31 March 2015	31 March 2014
<b>Equity shares</b>		
<b>Interim equity dividend</b>		
Number of shares	70.60	70.60
Rate of dividend (%)	10.0%	0.0%
Dividend per share	1.00	-
Amount of dividend (₹ Millions)	70.60	-
Dividend distribution tax (₹ Millions)	11.19	-
<b>Final equity dividend</b>		
Number of shares	70.60	70.60
Rate of dividend (%)	10.0%	0.0%
Dividend per share	1	-
Amount of dividend (₹ Millions)	70.60	-
Dividend distribution tax (₹ Millions)	12.00	-

## Restated previous GAAP unconsolidated Summary Statement of Accounting Ratios

Particulars	For the year ended	
	31 March 2015	31 March 2014
<b>Accounting ratios</b>		
<b>Earnings Per Share (EPS) - Basic</b>		
Restated Profit after tax	1571.01	854.34
Weighted average number of equity shares (In million)	141.21	70.60
<b>EPS (in ₹) - Basic *</b>	<b>11.13</b>	<b>12.10</b>
<b>Earnings Per Share (EPS) - Diluted</b>		
Restated Profit after tax	1571.01	854.34
Weighted average number of equity shares (In million)	141.21	70.60
<b>EPS (in ₹) - Diluted *</b>	<b>11.13</b>	<b>12.10</b>
* Previous year EPS has been restated due to increase in outstanding share as a result of bonus shares issued during the year.		
EPS as stated (Basic and Diluted)	11.13	12.10
EPS Restated (Basic and Diluted)	11.13	6.05
<b>Return on Net Worth</b>		
Restated Profit for the year	1,571.01	854.34
Net worth at the end of the year	16,253.46	13,647.78
<b>Return on Net Worth (%)</b>	<b>9.67%</b>	<b>6.26%</b>
<b>Net Asset Value Per Equity Share</b>		
Net worth at the end of the year	16253.46	13647.78
Number of equity shares outstanding at the end of the year (In million)	141.21	70.60
<b>Net Asset Value Per Equity Share (in ₹)</b>	<b>115.10</b>	<b>193.30</b>

Notes:

- The figures disclosed above are based on the Restated IGAAP unconsolidated Financial Information.
- The above statement should be read with the Notes to the Restated IGAAP unconsolidated Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited IGAAP unconsolidated Financial Statements - Annexure V.
- The ratios have been computed as below:
  - Basic and diluted Earnings per share (₹) = 
$$\frac{\text{Restated net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$
  - Return on net worth (%) = 
$$\frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the year}}$$
  - Net asset value per share (₹) = 
$$\frac{\text{Restated net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year}}$$
- Net worth includes Equity share capital, Securities Premium, Retained earnings and Other reserves
- Earnings per share calculations are in accordance with AS 20 - Earnings per share.



**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

(Amounts in INR million, unless otherwise stated)

---

**Annexure XLVI**

**Restated Previous GAAP Unconsolidated Summary Statement of Disclosure for Micro, Small and Medium Enterprises**

There are no Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act, 2006, to whom the company owes dues. This information has been determined to the extent such parties has been identified on the basis of information available with the Company.

**Annexure XLVII**

**Restated Previous GAAP Unconsolidated Summary Statement of Disclosure for Investment in wholly owned subsidiary**

As at 31 March 2015, the Company has investment of ₹10.89 million in Polycab Italy SRL, a wholly owned subsidiary company situated in Italy and Loan ₹24.93 million. During the year ended 31 March 2015, an amount of Euro 0.04 million (₹ 2.81 million) from Share Capital was appropriated to 'accumulated losses of previous years' and 'Capital Reduction Reserve' to comply with the applicable Italian accounting requirements.. Subsequent to the year end, the company applied to Reserve Bank of India for change in capital structure of aforesaid company. Management is confident of obtaining for necessary approvals, accordingly, no adjustment made in the financial statement.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/E300003

**For and on behalf of the Board of Directors of**

**Polycab India Limited (formerly known as 'Polycab Wires Limited')**

Inder T. Jaisinghani  
Chairman & Managing Director  
DIN : 00309108

Ajay T. Jaisinghani  
Whole Time Director  
DIN : 00276588

per Sudhir Soni

Partner

Membership No. 41870

Place: Mumbai

Date: October 24, 2018

S. L. Bajaj  
CFO & Whole Time Director  
DIN : 02734730

S S Narayana  
Company Secretary  
Membership No. F5221

Place: Mumbai  
Date: October 24, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our restated consolidated financial information as at and for the three months period ended June 30, 2018 and the fiscal years ended March 31, 2018, 2017, 2016, 2015 and 2014 including the annexures and notes thereto and reports thereon, each included in this Draft Red Herring Prospectus.*

*Our restated consolidated summary statements of assets and liabilities as at June 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016, and restated consolidated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the three months period ended June 30, 2018 and the fiscals 2018, 2017 and 2016 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the IndAS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note. Our restated consolidated summary statements of assets and liabilities at March 31, 2015 and March 31, 2014 and the restated consolidated summary statements of profit and loss and cash flows for the fiscals 2015 and 2014 have been prepared in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, SEBI Circular and the Prospectus Guidance Note. Ind AS and Indian GAAP differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Accordingly, the degree to which our Restated Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS and Indian GAAP. See "Risk Factors—Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition" on page 43.*

*Our fiscal year ends on 31 March of each year. Accordingly, all references to a particular "Fiscal", are to the 12 months ended 31 March of that year.*

*This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 20 and 18, respectively, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. This section also includes industry data, which has been derived and sourced from the report titled "Assessment of Electrical Products Industry in India – October 2018" as prepared by CRISIL Research, which was commissioned by our Company.*

### Overview

We are engaged in the business of manufacturing and selling wires and cables and FMEG under the "POLYCAB" brand. According to CRISIL Research, we are the largest manufacturer in the wires and cables industry in India, in terms of revenue from the wires and cables segment and provide one of the most extensive range of wires and cables in India. For Fiscal 2018, we have a market share of approximately 18% of the organized wires and cables industry and approximately 12% of the total wires and cables industry in India, estimated at ₹525 billion based on manufacturers realization (*Source: CRISIL Research*). Apart from wires and cables, we manufacture and sell FMEG such as electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories. According to CRISIL Research, the wires and cables industry in India, in value terms, has grown at a CAGR of approximately 11% in the last five years to reach ₹525 billion in Fiscal 2018. CRISIL Research expects the wires and cables industry in India to expand at a CAGR of approximately 15% in value terms to reach approximately ₹1,033 billion by Fiscal 2023.

Each of our promoters have more than four decades of experience. Our Company was incorporated as 'Polycab Wires Private Limited' on January 10, 1996 at Mumbai as a private limited company under the Companies Act, 1956. For further details, see "*History and Certain Corporate Matters*" beginning on page 212.

We manufacture and sell a diverse range of wires and cables and our key products in the wires and cables segment are power cables, control cables, instrumentation cables, solar cables, building wires, flexible cables, flexible/single multi core cables, communication cables and others including welding cables, submersible flat and round cables, rubber cables, overhead conductors, railway signaling cables, specialty cables and green wires. In 2009, we diversified into the EPC business, which includes the design, engineering, supply, execution and commissioning of power distribution and rural electrification projects. In 2014, we diversified into the FMEG segment and our key FMEG are electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories.

We have 24 manufacturing facilities, including our two joint ventures with Techno and Trafigura, located across the states of Gujarat, Maharashtra and Uttarakhand and the union territory of Daman and Diu. Three of these 24 manufacturing facilities are

for the production of FMEG, including a 50:50 joint venture with Techno, a Gujarat-based manufacturer of LED products. In 2016, we entered into a 50:50 joint venture with Trafigura, a commodity trading company, to set up the Ryker Plant in Waghodia, India to produce copper wire rods. We expect the Ryker Plant to commence commercial operations by the end of Fiscal 2019, with an estimated annual capacity of 258,620 MT of copper wire rods once it is fully operational. The Ryker Plant will strengthen the backward integration of our manufacturing process as we expect that it will meet a substantial part of our demand for copper wire rods for the manufacturing of our wires and cables and FMEG.

Our R&D capabilities, emphasis on upgrading the technology used in our production process, customer-centric R&D efforts and our R&D center located in Halol, assist our sales and marketing team in understanding our customers' requirements. We believe that our R&D efforts have helped us to resolve the technical problems that our customers faced. Through our R&D efforts, we have developed products such as flame retardant elastomeric compounds, flame retardant chlorosulphonated polyethylene rubber compounds and cathodic protection cables using fluoropolymers and other innovative products such as environmentally friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables to serve the needs of the automobile, ship-building industry, mining, solar energy and rolling stock sector. See “ – *Research and Development*” on page 204 for details. In addition, we have adopted automation systems in our manufacturing process such as the MES, which is an automated sensor base system for recording the actual consumption of raw materials in production, as well as ERP systems. We have also adopted MOST to drive productivity and optimize capacity utilization.

We have an established supply chain comprising our network of authorized dealers, distributors and retailers. This network supplies our products across India. Our distribution network in India comprise over 3,300 authorized dealers and distributors and 29 warehouses as at March 31, 2018. We supply our products directly to our authorized dealers and distributors who in turn supply our products to over 100,000 retail outlets in India. We manage our sales and marketing activities through our corporate office, three regional offices and 20 local offices in various parts of India as at June 30, 2018. In addition, in Fiscal 2018, we exported our products to over 40 countries. Our revenue from outside India contributed 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscal 2018.

We are an established manufacturer of cables and wires in India and we will continue to strengthen our brand in both our wires and cables business and our FMEG business. Our advertising and sales promotion expenses has increased from ₹579.41 million in Fiscal 2016 to ₹936.94 million in Fiscal 2018. We have been awarded the gold trophy for five consecutive years from 2013 to 2017 at the Annual Convention on Quality Concepts organized by the Quality Circle Forum of India. We work closely with major power utilities, oil and gas, IT parks, metro rail, infrastructure, metal and non-metal, cement and EPC companies that operate in India and abroad. Our customers include institutional clients such as L&T Construction and government clients such as Konkan Railway Corporation Ltd. For details, see “ – *Sales and Marketing*” on page 202.

For Fiscals 2016, 2017 and 2018, our total income less excise duty was ₹52,355.42 million, ₹55,753.30 million and ₹68,413.04 million, respectively, our EBITDA margin was 10.01%, 9.95% and 11.74% respectively, our PAT margin was 3.53%, 4.17% and 5.42% respectively, our ROE was 10.34%, 11.66% and 15.76% respectively, our ROCE was 15.99%, 14.97% and 21.25%, respectively, and our debt to equity ratio was 0.45, 0.43 and 0.34, respectively.

For further details on our business, see “*Our Business*” on page 181.

## **Recent Developments**

For the three months period ended June 30, 2018, our total income was ₹17,033.18 million, comprising ₹15,024.80 million in external sales from our wires and cables business, ₹1,481.00 million in external sales from our FMEG business, ₹519.55 million from our other business and ₹7.83 million from Finance Income (as per our segment reporting under Ind AS 108). Our segment margins (defined as segment/operating results of the segment divided by external sales of that segment, as per our segment reporting under Ind AS 108) for our wires and cables business, FMEG business and other business were 9.57%, 9.30% and (0.05%), respectively for the three months period ended June 30, 2018. Our PAT margin was 4.43% for the three months period ended June 30, 2018. Our PAT margin for this period may be lower than our PAT margin for the full year, primarily due to:

- i. seasonality in our revenue from operations, which tend to be relatively lower during the first half of the fiscal year and higher in the second half of the fiscal year, and hence during the first half of the fiscal year our fixed expenses are spread across lower revenue;
- ii. seasonality in certain of our expense items, in particular our advertising and sales promotion expenses, which constituted 2.71% of our total income in the three months period ended June 30, 2018, as we often advertise at sporting events that take place near the start of the year and hence advertising and sales promotion expenses tend to be higher in the first quarter; and
- iii. for our "other" segment (which comprises our EPC business), changes in the estimated cost to complete certain EPC contracts.

Due to the seasonality in our business, our results of operations for the three months period ended June 30, 2018 are not comparable with and may not be indicative of our results of operations for any full fiscal year. For further details on the impact of seasonality on our financial condition and results of operations, see “ – *Seasonality*” on page 525 and “*Risk Factors—External Risk Factors—Our performance is subject to seasonality*” on page 42.

Our inventories increased by ₹3,346.05 million from ₹13,656.92 million as at March 31, 2018 to ₹17,002.97 million as at June 30, 2018, primarily due to an increase in goods in transit. The increase in goods in transit was driven primarily by a strategic decision to capitalize on a decrease in copper prices by building up our copper inventory to meet our future sales expectations.

## **Significant Factors Affecting our Results of Operations and Financial Condition**

### ***Macro-Economic Conditions and Factors Affecting the Industries in Which our Customers Operate***

We derive most of our revenue from operations from the manufacture and supply of wires and cables, the sale of fast moving electrical goods (“FMEG”) and others (which comprises our EPC business). We have a diverse customer base comprising governmental authorities, retailers, distributors, dealers and industrial and institutional customers in a range of industries including the power, oil and gas, EPC contracts, construction, IT parks, infrastructure, metal and non-metal, cement, agriculture, rural electrification and housing electrification, and real estate industries, and we depend on the demand from these customers and the industries in which they operate. These industries depend to a large extent on general macro-economic conditions. Some of the general macro-economic factors that can affect the above industries and, therefore, demand for our products, include but are not limited to the following:

- global and local economic or fiscal crises or instability;
- global and local political and regulatory measures and developments, such as government policies to support the industries in which our customers operate, tax incentives or other subsidies or bilateral trade agreements (for a description of governmental policies that affect our results of operations and financial condition, see “—Government Policies” on page 506);
- global and local fiscal and monetary dynamics, such as rises or falls in interest rates (resulting in greater or lesser ability by customers to borrow money), foreign exchange rates and inflation rates;
- general levels of GDP growth in a country or region, and trends in personal disposable income and consumer spending in that country or region;
- demographic conditions and population dynamics, such as the absolute size of a market and the growth rates of the population in that market; and
- economic development and shifting of wealth in India, in particular growth in the middle class, rural areas, and the agricultural sector, which is highly dependent on the outcome of the monsoons.

The cyclical nature of general macro-economic conditions and, therefore, of the industries in which our customers operate means that our results of operations can fluctuate substantially from period to period. Stronger macro-economic indicators, such as GDP growth, improvements in industrial production or industrial investment and increases in infrastructure investment, housing demand or consumer spending, tend to correlate with increased activities in industries in which our customers operate, and in turn, increased demand for our products, while weaker macro-economic indicators tend to correlate with less activities in the above industries and therefore, lower demand for our products. We expect that these macro-economic factors and conditions in the above industries will continue to be the most important factor affecting our revenues and results of operations. Other factors, such as the availability of our products, our competitiveness, manufacturing capabilities, technological advancement, brand recognition, the strength of our sales and distribution network and the quality and price of our goods have an effect on our market share and our ability to win customers in competitive situations.

India’s GDP rose at a CAGR of 6.9% between fiscals 2012 and 2018 to ₹130 trillion. As per statistics from the Central Statistics Office, in fiscal 2018, India’s GDP expanded 6.7% with faster growth in the second half of fiscal 2018 as compared to the first half of fiscal 2018. GDP growth showed a sharp upturn in the fourth quarter of fiscal 2018. (Source: CRISIL Report).

See “Industry Overview” on page 132 of this Draft Red Herring Prospectus, for a discussion on macro-economic conditions in the industry in which we operate.

### ***Government Policies***

The Government of India has announced various schemes and plans to revive power infrastructure, improve urban distribution networks and boost rural electrification such as Deen Dayal Upadhyaya Gram Jyoti Yojana (the Government of India’s scheme for rural electrification), the Integrated Power Development Scheme, Pradhan Mantri Sahaj Bijli Har Ghar Yojana (the “Saubhagya” scheme to provide electricity to all households) and Power For All. These are expected to boost the demand for wires and cables and electrical products in general, and thus demand for our products. (Source: CRISIL Report)

In addition, based on the ‘Housing For All’ and Smart Cities Mission, the Government of India aims to significantly increase the number of households, revamp the urban infrastructure of India and in turn, facilitate the growth of the electric equipment

industry. (Source: CRISIL Report) Further, Government of India initiatives such as the ‘Make in India’ campaign, which has plans to boost the share of manufacturing in GDP, in turn booting the electricity consumption by the industrial segment.

According to CRISIL Research, the Indian wires and cables industry is gradually moving from a largely unorganized segment comprising smaller regional players to an organized sector comprising pan-India branded players. At an overall level, organized players accounted for 66% share of the wires and cables industry’s production in Fiscal 2018. The share of organised players is expected to increase to approximately 74% by fiscal 2023 on account of GST implementation, and improvement in efficiency and cost structure, thereby reducing the price gap between the organised and unorganised sectors and economies of pan-India distribution network. (Source: CRISIL Report)

We believe that these initiatives of the Government of India will drive the demand for domestic and industrial electric equipment, including for electric equipment that we manufacture. Further, increasing urbanization in India coupled with rising income levels have resulted in progressively increasing demand for housing, particularly quality housing, across Indian cities. We believe that this growing demand for quality housing will drive demand for quality electric equipment and accessories, including those we manufacture. Any failure in the effective implementation of such plans would significantly and adversely affect our business, financial condition and results of operations.

### **Sales mix and margins**

We produce a wide range of wires and cables and FMEG. Our product portfolio includes both products that are relatively more commoditized as well as more premium or specialized products. For our more commoditized products, we compete primarily on price and our profitability depends on our ability to effectively manage our expenses, leverage economies of scale and secure large order volumes. By contrast, our more premium or specialty products generally sell at higher prices and with higher margins, and we are more dependent on brand. For example, retail wires tend to be more brand oriented and have higher profit margins, whereas project wires tend to be more commoditized and have lower profit margins. Further, cables tend to be brand-based, and hence a strong brand recognition can offer opportunities to command premium pricing. Within our FMEG business, features such as smart fans, professional lighting, and more efficient technologies tend to command higher premiums.

Our margins differ across our businesses. For example, our wires and cables business is relatively well established and enjoys a strong distribution network and economies of scale (see “Our Business—Our Strengths—Market Leader in Wires and Cables” and “Our Business—Our Strengths—Strong Distribution Network” on pages 182 and 183), whereas our FMEG is newer and smaller than our wires and cables business, and accordingly does not enjoy the same economies of scale. As a result, our wires and cables business tends to have better margins than our FMEG business, although this may change over time if we are able to further scale our FMEG business.

In recent years, we have focused on improving our sales mix through a variety of means, including increasing brand awareness, enhancing the strength of our distribution network, and offering higher degrees of customisation and more technologically advanced products. The improvement in our sales mix in our wires and cables business is demonstrated by our improving segment margins (defined as segment/operating results of the segment divided by external sales of that segment, as per our segment reporting under Ind AS 108) for this business, which have improved from 6.69% to 10.32% from Fiscal 2016 to Fiscal 2018. By contrast, our FMEG business had segment margins of 8.10% in Fiscal 2016 decreasing to 1.03% in Fiscal 2017 and improving to 3.04% in Fiscal 2018 as we continued to scale up this business. Margins in our “Other” business, which comprises our EPC business, tend to be less stable over time, depending to a large extent on the nature, size and number of the projects that we undertake in a particular year, as well as changes in estimated costs to complete such projects, as a result of which margins in this business have decreased from 14.61% in Fiscal 2016 to 3.24% in Fiscal 2018.

### **Raw Material Costs of Goods Sold**

Our “Raw Material Costs of Goods Sold” comprise of (i) the cost of materials consumed, (ii) purchases of traded goods, (iii) changes in inventories of finished goods, traded goods and work-in-progress and (iv) project bought outs and other costs, and account for a significant share of our total expenses. For Fiscals 2016, 2017 and 2018, our Raw Materials Costs of Goods Sold accounted for 76.67%, 77.15% and 76.82% of our revenue from operations less excise duty, respectively.

The following table sets forth a reconciliation of our Raw Material Costs of Goods Sold for the periods indicated:

	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
	<b>(₹ in millions)</b>		
Cost of materials consumed	47,747.40	41,577.11	35,594.54
Purchases of traded goods	2,412.29	1,945.92	3,065.47
Changes in inventories of finished goods, traded goods and work-in-progress	674.51	(2,195.05)	(586.58)
Project bought outs and other costs	1,247.03	1,104.19	1,815.49
<b>Total Raw Materials Costs of Goods Sold</b>	<b>52,081.23</b>	<b>42,432.17</b>	<b>39,888.92</b>

Our Raw Material Costs of Goods Sold are affected by the cost of our primary raw materials for production, which are copper, aluminium, PVC Compounds and steel. The prices of copper and aluminium are linked to the prices on the London Metal Exchange (“LME”), and the price of PVC Compounds depend on the price of crude oil, each of which are generally quoted in US Dollars. Accordingly, the price we pay for these raw materials can fluctuate due to volatility in the commodity markets and in exchange rates. Similarly, the price we pay for domestic steel can fluctuate due to volatility in Indian steel prices, though those are quoted in Indian Rupees.

The following table sets forth the LME cash settlement prices of copper and aluminium based on monthly averages, for the periods indicated:

	Fiscal 2018	Fiscal 2017	Fiscal 2016
	<i>(US Dollars per ton)</i>		
Aluminium	2,045.33	1,687.94	1,591.77
Copper	6,444.22	5,163.98	5,215.19

While we are generally able to pass on changes in the cost of our primary raw materials to our customers (whether due to changes in commodity index prices or exchange rates), we may not be able to do so immediately or fully, and so strong and rapid fluctuations in the prices of these raw materials could affect our operating results. Moreover, to the extent that we have a mismatch between our raw material inventory and payables, we mark-to-market gains or losses based on changes in raw material prices and reflect such mark-to-market gains in our statement of profit and loss in accordance with our hedging strategy and accounting thereof. See “– *Quantitative and Qualitative Disclosure about Market Risk – Commodity Risk*” on page 524.

To manage such risks, we have agreements with a majority of our suppliers pursuant to which we have a 60 to 90-day window to price our products from the time of raw material procurement, primarily relating to our copper and aluminium supplies. This allows us to factor in the costs of the raw materials when we enter into sales contracts and pass changes on to our customers. For most of our other suppliers with whom we do not have such pricing windows, we tend to submit purchase orders for raw materials back-to-back at or around the same time as we receive orders from customers, to help minimize our open raw material positions. For our EPC business, in which we tend to have longer-term contracts to supply products to our customers, we generally include price variation clauses in our contracts so that the sales price of our products gets adjusted periodically based on a formula that takes into account changes in raw material prices.

We have also aimed to reduce our reliance and risks of procuring raw materials from external parties by integrating our supply chain (see “*Our Business—Our Strengths—Manufacturing facilities with high degree of backward integration*” on page 185). For example, through our 50:50 joint venture with Trafigura, the Ryker Plant in India will manufacture, trade and sell copper wire rods and, upon commissioning, will supply a significant portion of our copper wire rod requirements. We expect the Ryker Plant to be commissioned by the end of Fiscal 2019.

### **Exchange Rates**

We present our financial statements in Indian Rupees. However, a significant portion of our raw material purchases, in particular aluminium, copper and PVC Compound, are priced by reference to benchmarks quoted in US dollars, and hence our expenditures are largely influenced by the value of the US dollar. To a lesser extent, our revenue is influenced by the currencies of countries to which we export our products, largely being the US dollar, Euro or British Pound. For Fiscals 2016, 2017 and 2018, our expenditure on consumption of imported raw material accounted for a significant portion, though not a majority, of our total Raw Material Costs of Goods Sold. Although India remains our largest market, our sales to customers located outside India contribute to 5.35%, 5.70% and 5.14% of our total segment revenue (as per our segment reporting under Ind AS 108) for Fiscals 2016, 2017 and 2018.

The exchange rates between the Indian Rupee and the US Dollar, Euro and British Pound have fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. The following tables sets forth the RBI reference exchange rates for the currencies mentioned as of the specified dates:

	March 28, 2018	March 31, 2017	March 31, 2016
Indian Rupee to US Dollar	65.04	64.84	66.33
Indian Rupee to Euro	80.622	69.25	75.10
Indian Rupee to GBP	92.28	80.88	95.09

Since March 28, 2018, the US Dollar has continued to appreciate against the Indian Rupee, standing at 70.9255 US Dollars to the Indian Rupee as of August 31, 2018.

Depreciation of the Indian Rupee against the U.S. Dollar, the Euro and other foreign currencies may adversely affect our results of operations by increasing the cost of our raw materials or any proposed capital expenditure in foreign currencies. Similarly, appreciation of the Indian Rupee may positively affect our results of operations by decreasing the cost of our raw materials or any proposed capital expenditure in foreign currencies. Although we generally seek to pass exchange rate fluctuations through

to our customers through increases or decreases in our prices, we may not be able to do so immediately or fully, and hence significant volatility in the exchange rates can impact our revenue and profit. To manage our foreign exchange risk, we currently use foreign exchange forward contracts and to a lesser extent, interest rate swaps, to mitigate our foreign exchange risk. As at March 31, 2016, 2017 and 2018, we have ₹(3,528.56) million, ₹(3,908.72) million and ₹(4,455.13) million of unhedged US Dollar exposure net outflow and ₹(146.22) million, ₹(165.91) million and ₹(243.60) million of unhedged Euro exposure net outflow.

### ***Working capital requirements and access to capital resources***

Our business requires significant amounts of working capital primarily for our raw material purchases and manufacturing our products before we receive payments from our customers. Our working capital requirements tend to increase if contractual or sales terms do not include advance payments or if under such contractual arrangements, payment is stipulated at the time of delivery of the final product to our customer. Our working capital requirements will increase in the event we undertake a larger number of orders as we grow our business. Our working capital requirements can also vary significantly across our business lines, with businesses such as government contracts and our EPC business typically having slower payment from customers, and therefore higher working capital requirements. If we grow our EPC business relative to our other business lines, we expect that our working capital ratios would be adversely affected. Currently, we fund our working capital requirements from short-term borrowings from banks, buyer's credit and internal accruals.

We seek to improve our working capital management, namely to reduce our Debtor Days (as defined below under “—*Working Capital Cycle*”), rationalise our inventory levels, and reduce finance costs on our trade payables. To reduce our Debtor Days, we have increased the use of channel financing, whereby our customers enter into arrangements with banks through which we receive payment directly from the banks, who in turn take on credit risk and seek to collect from the customers. Channel financing reduces our risk of non-payment, and significantly increases the speed at which we receive payment, as we receive payment directly from banks. Regarding our inventory, our goal is to have sufficient inventory on hand at all times so that we are able to quickly meet the demands of our customers. To this end, we strategically manage our inventories, purchasing raw materials based on our estimated future production requirements, taking into account our views on potential supply shortages, and maintaining finished goods based on our estimates of future customer demand. In recent years, we have increasingly focused on rationalising our inventory management, to meet our future requirements against while not carrying undue levels of inventory. In terms of our Payable Days, we have focused on repaying interest-bearing payables as soon as possible, to reduce our finance costs.

### ***Competition***

We operate in an increasingly competitive market. We face competition from other manufacturers, traders, suppliers and importers of electric equipment in relation to our offerings, in the organized and unorganized sectors. Suppliers in the electric equipment industry compete based on key attributes including technical competence, product quality, strength of sales and distribution network, pricing and timely delivery.

Further, many of our competitors, specifically multinational companies, may have significant competitive advantages, including greater brand recognition and greater access to financial, research and development, marketing, distribution and other resources, larger product offerings and greater specialization than us. Additionally, certain of our competitors may specialise in manufacturing electric equipment within particular product verticals and hence, may be able to dedicate significantly larger resources towards developing and manufacturing technologically superior equipment than us and their brands may gain greater visibility within those product verticals. Our competitors may further, enter into business combinations or alliances that strengthen their competitive positions or prevent us from taking advantage by entering into such business combinations or alliances. Increasing competition may result in pricing pressures or decreasing profit margins or lost market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We will be required to compete effectively with our existing and potential competitors, to maintain and grow our market share and in turn, our results of operations.

For further details in relation to the competition we face and our significant competitors, see “*Industry Overview*” and “*Our Business - Competition*” on pages 132 and 208, respectively.

### ***Critical Accounting Estimates and Judgements***

In the course of applying our accounting policies, we are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that we consider relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

## ***Judgments***

In the process of applying our accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in our consolidated financial statements:

### ***Leasehold Land Arrangement***

We have entered into land lease arrangements at various locations. The terms of such leases range from 30-90 years. In case of leases of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, such lease is classified as finance lease. Other land leases are classified as operating leases

### ***Estimates and assumptions***

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of our assets and liabilities within the next financial year are described below. We base our assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond our control. Such changes are reflected in the assumptions when they occur.

### ***Cost to complete***

Our management estimates the cost to complete for each EPC project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, we conduct regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls, identifying major risks facing us and developing and implementing initiative to manage those risks.

### ***Impairment of investments in subsidiaries and joint ventures***

Determining whether our investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, our Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

### ***Provisions and liabilities***

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### ***Contingencies***

In the normal course of business, contingent liabilities may arise from litigation and other claims against us. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

### ***Fair value measurements***

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including multiples and the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

### ***Taxes***

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



### *Impairment of non-financial assets*

We assess at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, we estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

### *Defined benefit plans*

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

We recognize the following changes in the net defined benefit obligation under employee benefit expenses in our consolidated statement of profit and loss:

- service cost, comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements.
- net interest expense or Income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

### **Auditor's Reservations, Qualifications and Adverse Remarks and Comments**

#### ***Qualified Audit Opinion***

Our Statutory Auditors' report dated October 24, 2018 on our audited unconsolidated and consolidated financial statements as at and for the three months ended June 30, 2018 was qualified to indicate that our management has not disclosed the comparative information for the three months ended June 30, 2017, as required by Ind AS 34 – Interim Financial Reporting, in the case of the interim consolidated and unconsolidated statement of profit and loss (including other comprehensive income), the interim consolidated and unconsolidated cash flow statement and the interim consolidated and unconsolidated statement of changes in equity.

The aforesaid qualification does not impact the Restated Financial Statements included in this Draft Red Herring Prospectus.

#### ***Qualified Opinion and Disclaimer of Opinion on Internal Financial Controls over Financial Reporting***

The auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscal 2017 contains a qualified opinion, and that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscal 2016 contains a disclaimer of opinion. Notwithstanding the qualification and the disclaimer of the opinions relating to the effectiveness of our internal financial controls over financial reporting, our Statutory Auditors expressed a true and fair view opinion on our financial statements for Fiscal 2016 and Fiscal 2017.

The following paragraphs provides additional details regarding the qualified opinion and the disclaimer of opinion on our internal financial controls over financial reporting.

#### ***Fiscal 2017***

Our Statutory Auditors' report dated September 25, 2017 on our audited unconsolidated and consolidated financial statements as at and for Fiscal 2017 included, as an annexure, a report on our internal financial controls over financial reporting under clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013, which was qualified to indicate that our Statutory Auditor had identified a material weakness in our internal financial controls over financial reporting, specifically that our internal financial control over financial reporting in respect of (i) cut-off procedures for recognition of revenue at the year-end and (ii) the review of invoices raised for certain categories of customers, were not operating effectively, which could have potentially resulted in under or over accrual of revenue and receivables in our financial statements.

*Fiscal 2016*

Our Statutory Auditors' report dated December 15, 2016, on our audited unconsolidated and consolidated financial statements as at and for Fiscal 2016 included, as an annexure, a report on our internal financial controls over financial reporting under clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013, which included a disclaimer of opinion to indicate our Statutory Auditors' inability to express an opinion on the adequacy or operating effectiveness of internal financial controls over financial reporting over financial reporting as of March 31, 2016 year. As we were in the process of stabilizing our newly implemented ERP system, we relied on our legacy and manual controls. We were unable to provide our Statutory Auditors with sufficient and appropriate audit evidence to substantiate the operative effectiveness of our system of internal financial controls over financial reporting over financial reporting.

**Companies (Auditors Report) findings**

Our statutory auditors report on our audited unconsolidated and consolidated financial statements for FY2014 identifies certain matters as required under the Companies (Auditors Report), Order 2003, as amended by the Companies (Auditors Report), Order 2004, in terms of Section 4A of Section 127 of the Companies Act, 1956. For FY2015 and onwards, our statutory auditors report on our audited unconsolidated and consolidated financial statements identify certain matters as required under the Companies (Auditors Report), Order 2015, in terms of Sub Section 11 of Section 143 of the Companies Act, 2013. These finding, along with the steps that our Company took to address each finding (as applicable), are set forth below:

<b><i>Finding</i></b>	<b><i>Fiscal Years Applicable</i></b>	<b><i>Steps that our Company took to address the finding</i></b>
A few instances of title deeds were not in the name of the Company, a few title deeds were not available for verification and a title deed was under dispute	2016 - 2018	We are taking steps to help ensure that title deeds not in our name are appropriately regularized and that we obtain duplicate copies of title deeds not in our possession. Regarding the title deed under dispute, this dispute is pending conclusion in the courts.
Slight delays in deposit of undisputed statutory dues in a few cases	2014 - 2018	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.
Certain undisputed income tax dues outstanding for more than six months	2018	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.
Certain disputed dues of income tax, sales tax, service tax, duty of excise, custom duty and value added tax not deposited	2018	Such matters involve cases where we are in a legal dispute either as a plaintiff or a defendant with the government authorities. These matters will be settled once the court / judicial authority pronounces its final verdict.
Certain undisputed professional tax, value added tax and provident fund dues outstanding for more than six months	2017	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.
Certain disputed dues of income tax, sales tax, service tax, duty of excise, custom duty, value added tax and cess not deposited	2014-2017	Such matters involve cases where we are in a legal dispute either as a plaintiff or a defendant with the government authorities. These matters will be settled once the court / judicial authority pronounces its final verdict.
Certain undisputed dues of tax deducted at source, professional tax, value added tax and provident fund outstanding for more than six months and	2016	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.

<i>Finding</i>	<i>Fiscal Years Applicable</i>	<i>Steps that our Company took to address the finding</i>
Proper records of work in progress were not maintained	2014-2015	Corrective action has been taken and therefore this modification is no longer in the auditors' report since Fiscal 2016.
Requirement for strengthening of internal controls system in respect of documentation of quotation analysis for engineering procurement and construction business and vendor selection	2014-2015	Corrective action has been taken and therefore this modification is no longer in the auditors' report since Fiscal 2016.
Certain undisputed dues of employee state insurance and value added tax outstanding for more than six months	2015	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.
In the absence of comparable quotations for certain job work transactions as required pursuant to section 301 of the Companies Act 1956 of the Company, whether the transactions were made at prevailing market prices could not be commented upon	2014	Corrective action has been taken and therefore this modification is no longer in the auditors' report since Fiscal 2015.
Certain undisputed dues of profession tax outstanding for more than six months	2014	Over the period, we have strengthened our processes and system to better prevent such instances. Accordingly, the amount involved and count of such cases have reduced.

For more information, see “*Risk Factors – Internal Risk Factors – Our auditors report on financial statements identify certain matters including matters required under the Companies (Auditors Report), Order 2003, as amended by the Companies (Auditors Report), Order 2004, Companies (Auditors Report), Order 2015 or, as the case may be, Companies (Auditors Report), Order 2016.*” on page 34, and the examination reports issued by our Statutory Auditors on our Restated Ind AS Consolidated Financial Information and our Restated Ind AS Unconsolidated Financial Information on pages 257 and 381.

## **Description of Line Items**

### *Description of Income Items*

#### *Revenue from operations*

We divide our business lines into three verticals, namely (i) wires and cables, (ii) fast moving electrical goods and (iii) our EPC business, which includes the design, engineering, supply, execution and commissioning of power distribution and rural electrification projects.

We generate revenue from our operations primarily through the sale of finished goods, which consist mainly of wires and cables. To a lesser extent, we generate revenue from operations from (i) our trading and manufacturing of fast moving electric goods such as electric fans, LED lighting and luminaires, and conduits and accessories (ii) our trading of switches and switchgears and solar products, (iii) our EPC business and (iv) sales of scrap.

Our revenues from operations are inclusive of excise duty but exclusive of goods and services tax (“GST”). Until June 30, 2017, excise duty was levied on our production of goods. Therefore, excise duty recovered from customers is included as part of our revenue, and excise duty paid on sales of goods is included as an expense item. Effective July 1, 2017, excise duty was replaced by GST, and due to differences between the excise duty regime and GST regime, GST collected is not included as part of our revenue from operations under Ind AS, and GST paid is not included as an expense item under Ind AS. Accordingly, our revenue from operations for Fiscal 2016 and Fiscal 2017 are inclusive of a full year of excise duty, whereas our revenue from operations for Fiscal 2018 is inclusive of only three months of excise duty. Due to the nature of our FMEG and EPC businesses and available excise duty exemptions, the amount of excise duty that we paid on these segments was immaterial even prior to the abolition of excise duty.

#### *Other Income*

Our other income primarily consists of net foreign exchange gains, government grants that we receive pursuant to the terms of our EPCG license to import machinery and gains on the sale of fixed assets.

## Total income

Our total income consists of revenue from operations and other income.

The table below sets forth a breakdown of our total income by segment as per our segment reporting under Ind AS 108, for the periods indicated.

	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	(₹ in millions)	(% of total income)	(₹ in millions)	(% of total income)	(₹ in millions)	(% of total income)
Wires and cables external sales	62,398.86	89.32%	56,078.84	91.60%	52,633.81	91.58%
FMEG external sales	4,942.53	7.07%	3,383.83	5.53%	1,981.13	3.45%
Others external sales	2,490.72	3.57%	1,720.19	2.81%	2,824.75	4.91%
Financial income	27.40	0.04%	39.35	0.06%	33.75	0.06%
Total income	69,859.51	100.00%	61,222.21	100.00%	57,473.44	100.00%

“Other external sales” comprises our EPC business, which includes design, engineering, supply, execution and commissioning of power distribution and rural electrification projects.

The table below sets forth a breakdown of our external sales for our wires and cables business for Fiscal 2018 and Fiscal 2017. We implemented a new enterprise resource planning (“ERP”) system during Fiscal 2016, hence a breakdown of our external sales for our wires and cables business only became available starting in Fiscal 2017.

	Fiscal 2018		Fiscal 2017	
	(₹ in millions)	(% of total wire and cable external sales)	(₹ in millions)	(% of total wire and cable external sales)
Wires and cables external sales				
Cables	34,080.49	54.62%	27,991.03	49.91%
Wires	24,363.24	39.04%	20,504.49	36.56%
Others <sup>(1)</sup>	2,508.66	4.02%	2,114.41	3.77%
Excise duty <sup>(2)</sup>	1,446.47	2.32%	5,468.91	9.75%
Total wires and cables external sales	62,398.86	100.00%	56,078.84	100.00%

<sup>(1)</sup> Consists of scrap and miscellaneous other items.

<sup>(2)</sup> Substantially all the excise duty that we paid prior to abolition of the excise duty related to our wires and cables segment. Accordingly, although we had payments of excise duty within our FMEG business, the amounts were insignificant and, for ease of presentation, we have allocated the entire excise duty to our wires and cables business breakdown presented here.

## Description of Expense Items

Our expense items consist of the following:

- raw materials costs of goods sold, which consists of the line items “cost of materials consumed”, “purchases of traded goods” and “changes in inventories of finished goods, traded goods and work-in-progress” and “project bought outs and other costs” (“**Raw Material Costs of Goods Sold**”):
  - cost of materials consumed primarily consists of the cost of raw materials that we use in the manufacture of our products, primarily copper, aluminium, PVC compounds, steel and factory material;
  - purchases of traded goods primarily consists of electric appliances such as electric fans, LED lighting and luminaires, switches and switchgears, solar products and conduits and accessories which we eventually sell as traded goods;
  - changes in inventories of finished goods, traded goods and work-in-progress is the difference between our inventories at the start of the year and the end of the year; and
  - project bought outs and other costs, which are the items that we procure from third party suppliers for purposes of consumption in our EPC business, and subcontracting expenses;
- excise duty, which refers to excise duty paid with respect to products we manufacture due to the sale of such products. Excise duty was only paid and included as part of our revenues from operations until June 30, 2017, after which the Central Excise Act, 1944 was abolished and the Goods and Service Tax Act, 2017 was implemented. Accordingly,

our expenses for Fiscal 2016 and Fiscal 2017 are inclusive of a full year of excise duty, whereas our expenses for Fiscal 2018 are inclusive of only three months of excise duty;

- other expenses, which consists primarily of freight and forwarding expenses, advertising and sales promotion, power and fuel, excise duty on closing stock of finished goods, sub-contracting expenses, consumption of stores and spares, brokerage and commission expenses, rent, travelling and conveyance expenses and legal and professional fees;
- finance cost, which consists primarily of interest, bank charges and foreign exchange gains/(losses) on borrowings;
- employee benefits expense, which primarily consists of salaries, wages and bonus; and
- depreciation and amortisation expense, primarily on our property, plant and equipment and to a lesser extent on intangible assets.

#### *Description of share of profit/(loss) of joint ventures*

Our share of profit/loss of joint ventures reflects (i) our 50:50 joint venture with Trafigura in Ryker Base Private Limited (“**Ryker**”), an entity set up to establish a manufacturing facility in Waghodia, India for the production of copper wire rods (the “**Ryker Plant**”) and (ii) our 50:50 joint venture with Techno Electromech Pvt Ltd. (“**Techno**”) to be able to secure a reliable supply of LED lighting and luminaire products and therefore, be better placed to take advantage of the growth opportunities we see in the LED industry.

Ryker and Techno both became our joint venture companies in March 2017.

#### *Tax expenses*

Our tax expenses consist of current tax and deferred tax.

#### **Results of Operations**

The following table sets certain data from our restated Ind AS consolidated summary statement of profit and loss, for the years indicated:

	<b>Fiscal 2018</b>		<b>Fiscal 2017</b>		<b>Fiscal 2016</b>	
	<i>(₹ in million)</i>	<i>(% of total income)</i>	<i>(₹ in million)</i>	<i>(% of total income)</i>	<i>(₹ in million)</i>	<i>(% of total income)</i>
Revenue from operations	69,239.17	99.11	60,470.08	98.77	57,142.41	99.42
Other income	620.34	0.89	752.13	1.23	331.03	0.58
<b>Total income</b>	<b>69,859.51</b>	<b>100.00</b>	<b>61,222.21</b>	<b>100.00</b>	<b>57,473.44</b>	<b>100.00</b>
<b>Expenses:</b>						
Cost of materials consumed	47,747.40	68.35	41,577.11	67.91	35,594.54	61.93
Purchases of traded goods	2,412.29	3.45	1,945.92	3.18	3,065.47	5.33
Changes in inventories of finished goods, traded goods and work-in-progress	674.51	0.97	(2,195.05)	(3.59)	(586.58)	(1.02)
Excise duty	1,446.47	2.07	5,468.91	8.93	5,118.02	8.91
Project bought outs and other cost	1,247.03	1.79	1,104.19	1.80	1,815.49	3.16
Employee benefits expense	2,592.55	3.71	2,290.98	3.74	2,060.61	3.59
Other expenses	5,710.73	8.17	5,478.55	8.95	5,167.11	8.99
Finance cost	936.80	1.34	659.49	1.08	1,473.52	2.56
Depreciation and amortization expense	1,329.52	1.90	1,278.83	2.09	1,111.16	1.93
<b>Total expenses</b>	<b>64,097.30</b>	<b>91.75</b>	<b>57,608.93</b>	<b>94.10</b>	<b>54,819.34</b>	<b>95.38</b>
<b>Profit before share of profit/(loss) of joint ventures</b>	<b>5,762.21</b>	<b>8.25</b>	<b>3,613.28</b>	<b>5.90</b>	<b>2,654.10</b>	<b>4.62</b>
Share of profit/(loss) of joint ventures (net of tax)	1.06	0.00	(3.29)	(0.01)	-	-
<b>Profit before tax</b>	<b>5,763.27</b>	<b>8.25</b>	<b>3,609.99</b>	<b>5.90</b>	<b>2,654.10</b>	<b>4.62</b>
<b>Tax expenses:</b>						
Current tax	2,175.14	3.11	835.59	1.36	755.03	1.31
Deferred tax (credit)/charge	(119.82)	(0.17)	446.93	0.73	52.07	0.09
<b>Total tax expense</b>	<b>2,055.32</b>	<b>2.94</b>	<b>1,282.51</b>	<b>2.09</b>	<b>807.10</b>	<b>1.40</b>

	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	(₹ in million)	(% of total income)	(₹ in million)	(% of total income)	(₹ in million)	(% of total income)
<b>Profit for the year</b>	<b>3,707.95</b>	<b>5.31</b>	<b>2,327.47</b>	<b>3.80</b>	<b>1,847.00</b>	<b>3.21</b>

### Fiscal 2018 compared to Fiscal 2017

#### *Total income (Comprising Revenue from Operations and Other Income)*

Our total income increased by 14.11% to ₹69,859.51 million in Fiscal 2018 from ₹61,222.21 million in Fiscal 2017 primarily for the reasons below:

- Wires and cables: an 11.27% increase in external sales from our wires and cables business (as per our segment reporting under Ind AS 108) to ₹62,398.86 million in Fiscal 2018 from ₹56,078.85 million in Fiscal 2017. However, as excise duty decreased from ₹5,468.91 million in Fiscal 2017 to ₹1,446.47 million in Fiscal 2018 primarily due to the replacement of excise duty with GST effective July 1, 2017, our external sales from our wires and cables business less excise duty increased by 20.44% to ₹60,952.39 million in Fiscal 2018 from ₹50,609.94 million in Fiscal 2017.

External sales of cables increased by 21.76% to ₹34,080.49 million in Fiscal 2018 from ₹27,991.03 million in Fiscal 2017 and external sales of wires increased by 18.82% to ₹24,363.24 million in Fiscal 2018 from ₹20,504.49 million in Fiscal 2017, both primarily due to (i) increases in raw material prices, especially copper and aluminium, which we largely passed through to customers, (ii) improvements in sales mix, and (iii) to a lesser extent increases in sales volumes. The monthly average LME prices of copper and aluminium per ton increased by 24.79% and 21.17% (in US Dollar terms), respectively, from Fiscal 2017 to Fiscal 2018.

- FMEG: a 46.06% increase in external sales from our FMEG business (as per our segment reporting under Ind AS 108) to ₹4,942.53 million in Fiscal 2018 from ₹3,383.83 million in Fiscal 2017. External sales from our FMEG business increased primarily due to an increase in sales volumes of new products as we focus on increasing our market share in this business. External sales growth was particularly pronounced in our ‘other’ FMEG products, driven especially by growth in our external sales of solar products and pipes and fittings. Moreover, our external sales of lighting and luminaires, fans and switches and switchgears all grew strongly, reflecting continued maturation of these product lines and our FMEG business more generally; and
- Others: a 44.79% increase in external sales from “others” (as per our segment reporting under Ind AS 108), which comprises our EPC business, to ₹2,490.72 million in Fiscal 2018 from ₹1,720.19 million in Fiscal 2017, primarily due to a significant increase in new contracts and the contract value thereof during Fiscal 2017, which led to a significant increase in the value of projects pending execution at the start of Fiscal 2018 as compared to Fiscal 2017.

Our total income less excise duty increased by 22.71% to ₹68,413.04 million in Fiscal 2018 from ₹55,753.30 million in Fiscal 2017.

#### *Expenses*

##### *Raw Materials Costs of Goods Sold*

Our Raw Materials Costs of Goods Sold increased by 22.74% to ₹52,081.23 million in Fiscal 2018 from ₹42,432.17 million in Fiscal 2017, in line with the 22.71% increase in our total income less excise duty (though higher than the 14.11% increase in our total income). Our Raw Material Costs of Goods Sold increased primarily due to (i) an increase in commodity prices, especially copper and aluminium, for which the LME monthly average prices per ton increased by 24.79% and 21.17% (in US Dollar terms), respectively, from Fiscal 2017 to Fiscal 2018, and (ii) increases in the volume of raw materials used, due to higher sales volumes.

Our purchases of traded goods increased by 23.97% to ₹2,412.29 million in Fiscal 2018 from ₹1,945.92 million in Fiscal 2017, relating primarily to increased purchases of electric appliances, such as lighting and luminaires, table fans, pedestal fans and wall fans, for sale in our FMEG business.

Our project bought outs and other cost increased by 12.94% to ₹1,247.03 million in Fiscal 2018 from ₹1,104.19 million in Fiscal 2017. Although our external sales from “others” (as per our segment reporting under Ind AS 108), which comprises our EPC business, increased by 44.79% from Fiscal 2017 to Fiscal 2018, our project bought outs and other costs increased more slowly due primarily to a change in the projected cost to complete our various EPC projects, as a result of a change in our project mix.

##### *Excise Duty*

Our excise duty decreased by 73.55% to ₹1,446.47 million in Fiscal 2018 from ₹5,468.91 million in Fiscal 2017, primarily because we paid excise duty until June 30, 2017, after which the Central Excise Act, 1944 was abolished and The Goods and Service Tax Act, 2017 was enacted with effect from July 1, 2017. Accordingly, we paid a full year of excise duty in Fiscal 2017, whereas we paid only three months of excise duty in Fiscal 2018.

#### *Employee Benefits Expense*

Our employee benefits expense increased by 13.16% to ₹2,592.55 million in Fiscal 2018 from ₹2,290.98 million in Fiscal 2017, primarily due to annual increments in the salaries and benefits that we pay to our employees. Partially offsetting this increase was a small reduction in total headcount from 4,740 as of March 31, 2017 to 4,719 as of March 31, 2018. However, this decrease was largely offset by the addition of new sales and marketing staff in line with our efforts to increase our marketing and advertising presence, as well as the addition of other staff, who tend to be paid higher salaries than operations staff.

#### *Other Expenses*

Our other expenses increased by 4.24% to ₹5,710.73 million in Fiscal 2018 from ₹5,478.55 million in Fiscal 2017, primarily for the reasons set forth below:

- advertising and sales promotion expenses increased by 61.27% to ₹936.94 million in Fiscal 2018 from ₹580.96 million in Fiscal 2017 primarily due to increased brand building activities;
- freight and forwarding expenses increased by 14.36% to ₹1,250.24 million in Fiscal 2018 from ₹1,093.24 million in Fiscal 2017 primarily due to an increase in our sales and an increase in fuel prices;
- sub-contracting expenses increased by 28.20% to ₹678.40 million in Fiscal 2018 from ₹529.16 million in Fiscal 2017 primarily due to an increase in minimum wage rates; and
- consumption of stores and spares increased by 15.06% to ₹502.17 million in Fiscal 2018 from ₹436.45 million in Fiscal 2017 in line with our increase in total income.

This was partially offset by a decrease in excise duty on closing stock of finished goods to ₹741.00 million in Fiscal 2018 from an increase in excise duty on closing stock of finished goods of ₹110.12 million in Fiscal 2017, as we stopped paying excise duty from July 1, 2017 onwards, and were not required to create a provision.

Power and fuel expenses were relatively stable at ₹838.56 million in Fiscal 2018 compared to ₹847.82 million in Fiscal 2017.

#### *Finance cost*

Our finance costs increased by 42.05% to ₹936.80 million in Fiscal 2018 from ₹659.49 million in Fiscal 2017, primarily due to (i) a foreign exchange loss on borrowings in Fiscal 2018 as compared to a foreign exchange gain on borrowings in Fiscal 2017, arising from depreciation in the Indian Rupee, and (ii) an increase in interest to banks. These increases were partially offset by a decrease in interest on our trade payables, as part of our strategy to better manage our working capital through the quicker repayment of interest-bearing trade payables.

#### *Depreciation and Amortisation Expense*

Our depreciation and amortisation expense was ₹1,329.52 million and in line with depreciation and amortisation expense in Fiscal 2017, which was ₹1,278.83 million.

#### *Share of Profit/(Loss) of Joint Ventures (Net of Tax)*

We had a share of profit of joint ventures (net of tax) for Fiscal 2018 amounting to ₹1.06 million compared to a share of loss of joint ventures (net of tax) amounting to ₹3.29 million in Fiscal 2017, primarily due to an increase in our share of profit from our joint venture, Techno, from ₹0.61 million in Fiscal 2017 to ₹3.90 million in Fiscal 2018, partially offset by losses in Ryker Base Private Limited as the Ryker Plant had not commenced production in Fiscal 2018.

#### *Tax Expense*

Our total tax expenses increased by 60.26% to ₹2,055.32 million in Fiscal 2018 from ₹1,282.52 million in Fiscal 2017, primarily due to an increase in profit before tax. Our effective tax rate (defined as income tax charged to our profit and loss account divided by profit before tax) remained relatively stable from Fiscal 2017 to Fiscal 2018, at 35.52% and 35.66%, respectively.

#### *Profit for the Year*

Primarily for the reasons stated above, our profit for the year increased by 59.31% to ₹3,707.95 million in Fiscal 2018 from ₹2,327.47 million in Fiscal 2017.

## **Fiscal 2017 compared to Fiscal 2016**

### ***Total income (Comprising Revenue from Operations and Other Income)***

Our total income increased by 6.52% to ₹61,222.21 million in Fiscal 2017 from ₹57,473.44 million in Fiscal 2016, primarily for the reasons below:

- wires and cables: a 6.55% increase in external sales from our wires and cables business (as per our segment reporting under Ind AS 108) to ₹56,078.85 million in Fiscal 2017 from ₹52,633.81 million in Fiscal 2016, primarily due to (i) increases in the quantities of wires and cables sold, and (ii) an increase in the prices of our products arising from increased commodity prices, especially copper and aluminium, which we largely pass on to our customers. Although the monthly average LME price was lower for copper for Fiscal 2017 than Fiscal 2016, a sharp rise in the price of copper in the second half of Fiscal 2017 resulted in an increase in our average purchase price. The monthly average LME price of aluminium per ton increased by 6.04% (in US Dollar terms), and although the monthly average LME price of copper per ton decreased by 0.98% (in US Dollar terms), our actual realized average purchase price of copper nevertheless increased due to the timing of our copper purchases.
- Fast moving electrical goods: a 70.80% increase in external sales from our FMEG business (as per our segment reporting under Ind AS 108) to ₹3,383.83 million in Fiscal 2017 from ₹1,981.13 million in Fiscal 2016, primarily due to the continued maturation of our FMEG business and our efforts to increase our market share in the FMEG segment;
- Others: a 39.10% decrease in external sales from “others” (as per our segment reporting under Ind AS 108), which comprises our EPC business, to ₹1,720.19 million in Fiscal 2017 from ₹2,824.75 million in Fiscal 2016, primarily due to the completion of EPC projects in Fiscal 2016 and our adding relatively few new EPC contracts during Fiscal 2016, which led to a decrease in the value of projects pending execution during Fiscal 2017 as compared to Fiscal 2016.

### ***Expenses***

#### ***Raw Materials Costs of Goods Sold***

Our Raw Materials Costs of Goods Sold increased by 6.38% to ₹42,432.17 million in Fiscal 2017 from ₹39,888.92 million in Fiscal 2016, which was in line with our 6.52% increase in total income. Raw Material Costs of Goods Sold increased primarily due to (i) an increase in the cost of copper and aluminium due to the increase in the LME and (ii) an increase in other raw materials that we use for our products, except for packing materials. The monthly average LME price of aluminium per ton increased by 6.04% (in US Dollar terms), and although the monthly average LME price of copper per ton decreased by 0.98% (in US Dollar terms), our actual realized average purchase price of copper nevertheless increased due to the timing of our copper purchases.

However, our purchases of traded goods decreased by 36.52% to ₹1,945.92 million in Fiscal 2017 from ₹3,065.47 million in Fiscal 2016 primarily relating to opportunistic trading in metals in FY2016 as we had excess inventory and, whereas we did not undertake any trading in metals in Fiscal 2017.

Our project bought outs and other cost decreased by 39.18% to ₹1,104.19 million in Fiscal 2017 from ₹1,815.49 million in Fiscal 2016, in line with the decrease in external sales from our “Other” segment, which comprises our EPC business, to ₹1,720.19 million in Fiscal 2017 from ₹2,824.75 million in Fiscal 2016.

#### ***Excise Duty***

Our excise duty increased by 6.86% to ₹5,468.91 million in Fiscal 2017 from ₹5,118.02 million in Fiscal 2016, in line with the increase in our total income.

#### ***Employee Benefits Expense***

Our employee benefits expense increased by 11.18% to ₹2,290.98 million in Fiscal 2017 from ₹2,060.61 million in Fiscal 2016, primarily due to annual increments in the salaries and benefits that we pay to our employees, as well as a change in our employee mix as we sought to add more qualified professionals to our staff. Partially offsetting this increase was a reduction in total headcount from 5,168 as of March 31, 2016 to 4,740 as of March 31, 2017 as we sought to rationalize our headcount, especially our operations staff, and increase our use of sub-contractors.

#### ***Other Expenses***

Our other expenses increased by 6.03% to ₹5,478.55 million in Fiscal 2017 from ₹5,167.11 million in Fiscal 2016, which was in line with our increase in total income.

Some of our key other expenses line items increased as set forth below:



- sub-contracting expenses increased by 41.05% to ₹529.16 million in Fiscal 2017 from ₹375.16 million in Fiscal 2016 primarily due to an increase in minimum wage rates and the deployment of sub-contractors to new facilities at Halol, Nasik and Roorkee;
- freight and forwarding expenses increased by 15.66% to ₹1,093.24 million in Fiscal 2017 from ₹945.19 million in Fiscal 2016 primarily due to an increase in sales;
- consumption of stores and spares increased by 5.22% to ₹436.45 million in Fiscal 2017 from ₹414.80 million in Fiscal 2016 primarily due to an increase in sales; and
- power and fuel costs increased by 3.56% to ₹847.82 million in Fiscal 2017 from ₹818.70 million in Fiscal 2016 due to an increase in production.

This increase was partially offset by a decrease in excise duty on closing stock of finished goods to ₹110.12 million in Fiscal 2017 from ₹206.63 million in Fiscal 2016, primarily due to a change in the levels of our inventory of finished goods.

#### *Finance cost*

Our finance costs decreased by 55.24% to ₹659.49 million in Fiscal 2017 from ₹1,473.52 million in Fiscal 2016, primarily due to (i) a foreign exchange gain on borrowings in Fiscal 2017 as compared to a foreign exchange loss on borrowings in Fiscal 2016 arising from appreciation in the Indian Rupee, (ii) a decrease in interest to banks primarily due to lower utilization of short-term borrowings, and (iii) lower bank charges on bank guarantees.

#### *Depreciation and Amortisation Expense*

Our depreciation and amortisation expense increased by 15.09% to ₹1,278.83 million in Fiscal 2017 from ₹1,111.16 million in Fiscal 2016, primarily due to higher levels of additions in property, plant and equipment to upgrade and enhance the capacity of our facilities of ₹2,685.56 million in Fiscal 2017 compared to ₹2,553.94 million in Fiscal 2016.

#### *Share of Profit/(Loss) of Joint Ventures (Net of Tax)*

Our share of loss of joint ventures (net of tax), was ₹3.29 million in Fiscal 2017 and nil in Fiscal 2016 as we only entered into our joint ventures in Fiscal 2017. Our share of Ryker's loss was ₹3.90 million in Fiscal 2017, and our share of Techno's profit was ₹0.61 million in Fiscal 2017. The Ryker Plant had not commenced production in Fiscal 2017.

#### *Tax Expense*

Our total tax expenses increased by 58.90% to ₹1,282.52 million in Fiscal 2017 from ₹807.10 million in Fiscal 2016, primarily due to an increase in profit before tax and an increase in our effective tax rates (defined as income tax charged to our profit and loss account divided by profit before tax) to 35.53% for Fiscal 2017 from 30.41% for Fiscal 2016. Our effective tax rate for Fiscal 2016 was lower due to our adoption of Ind AS and the corresponding adjustments made to our financial statements.

#### *Profit for the Year*

Primarily for the reasons stated above, our profit for the year increased by 26.01% to ₹2,327.47 million in Fiscal 2017 from ₹1,847.00 million in Fiscal 2016.

### **Liquidity and Capital Resources**

#### **Cash Flows**

The following table sets forth our consolidated cash flows for the periods indicated:

	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
	<i>(₹ in million)</i>		
Net cash flow from operating activities	3,631.90	2,964.03	2,208.26
Net cash flow from/(used in) investing activities	(1,881.20)	(2,897.65)	(2,543.06)
Net cash flow from/(used in) financing activities	(1,902.78)	(98.41)	454.90
Net increase/ (decrease) in cash and cash equivalents	(152.08)	(32.03)	120.10

Our cash and cash equivalents consist of cash at banks, cash on hand and short-term deposits with an original maturity of three months or less.

## ***Cash Flows from Operating Activities***

### *Fiscal 2018*

Our net cash flow from operating activities was ₹3,631.90 million in Fiscal 2018. Our profit before tax was ₹5,763.27 million, which had adjustments to reconcile profit before tax to net cash flows in a net amount of ₹2,877.65 million, resulting in an operating profit before working capital changes of ₹8,640.92 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- a decrease in trade payables, other financial and non-financial liabilities and provisions of ₹4,552.40 million, primarily due a conscious focus on our part to promptly repay interest-bearing trade payables to reduce our finance costs;
- an increase in trade receivables of ₹1,743.90 million, primarily due to our increased sales;
- a decrease in inventories of ₹1,542.55 million, primarily due to lower raw materials as we had strategically built up our raw material inventories during Fiscal 2017, especially copper and aluminium, which we partially utilized during Fiscal 2018 in an effort to better plan and manage our inventory; and
- a decrease in other financial and non-financial assets of ₹1,143.98 million, primarily due to (i) the abolition of the excise duty regime and adoption of GST, which has led to us maintaining lower balances with statutory and government authorities due to less restrictive offsetting rules, and (ii) a reduction in advances for material and services largely due to payment timing differences.

Our cash generated from operations increased to ₹5,031.15 million in Fiscal 2018 from ₹3,979.77 million in Fiscal 2017. Our net income tax paid (including tax deducted at source (“TDS”)) was ₹1,399.25 million.

### *Fiscal 2017*

Our net cash flow from operating activities was ₹2,964.03 million in Fiscal 2017. Our profit before tax was ₹3,609.99 million, which had adjustments to reconcile profit before tax to net cash flows in a net amount of ₹2,095.99 million, resulting in an operating profit before working capital changes of ₹5,705.98 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- an increase in inventories of ₹5,393.90 million, primarily (i) because we had strategically built up our raw material inventories during Fiscal 2017, especially copper and aluminium, due to our views on potential future shortfalls in those materials, and (ii) we had built up our inventories of finished goods on the expectation of higher sales in Fiscal 2018;
- an increase in trade payables, other financial and non-financial liabilities and provisions of ₹3,605.79 million, primarily due to our increase in inventories in Fiscal 2017;
- a decrease in trade receivables of ₹1,036.12 million mainly due to the introduction of the channel financing scheme for our trade receivables, which has helped reduce the overall number of Debtor Days (as defined below in “—Working Capital Cycle”) from 87 for Fiscal 2016 to 74 for Fiscal 2017; and
- an increase in other financial and non-financial assets of ₹974.22 million, primarily due to (i) higher advances for material and services largely due to payment timing differences, and (ii) higher balances with statutory and government authorities due largely to the accumulation of cenvat credit available to our Company.

Our cash generated from operations increased to ₹3,979.77 million in Fiscal 2017 from ₹3,396.07 million in Fiscal 2016. Our net income tax paid (including TDS) was ₹1,015.74 million.

### *Fiscal 2016*

Our net cash flow from operating activities was ₹2,208.26 million in Fiscal 2016. Our profit before tax was ₹2,654.10 million, which had adjustments to reconcile profit before tax to net cash flows in a net amount of ₹2,858.24 million, resulting in an operating profit before working capital changes of ₹5,512.34 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- an increase in trade receivables of ₹2,968.67 million, primarily due to the ramping up of our EPC business, in which our customers typically have longer credit periods;
- an increase in trade payables, other financial and non-financial liabilities and provisions of ₹1,662.95 million, primarily due to increases in procurement; and
- an increase in inventories of ₹899.85 million, primarily due to our increase in sales.

Our cash generated from operations was ₹3,396.07 million in Fiscal 2016. Our net income tax paid (including TDS) was ₹1,187.81 million.

### **Cash Flows from Investing Activities**

#### *Fiscal 2018*

Net cash used in investing activities was ₹1,881.20 million during Fiscal 2018, which primarily related to (i) purchase of property, plant and equipment (including capital work-in-progress (“CWIP”)) to upgrade and replace our machinery and facilities of ₹1,992.32 million, (ii) loans and advances made to related parties net of repayment of loans and advances by related parties of ₹134.81 million, partially offset by proceeds from sale of property, plant and equipment of ₹155.60 million.

#### *Fiscal 2017*

Net cash used in investing activities was ₹2,897.65 million during Fiscal 2017, which primarily related to (i) purchase of property, plant and equipment (including CWIP) to upgrade and replace our machinery and facilities of ₹2,791.82 million, (ii) investment in equity shares of subsidiaries and joint venture of ₹327.01 million, partially offset by maturity made in bank deposits (having original maturity of more than three months) of ₹112.22 million.

#### *Fiscal 2016*

Net cash used in investing activities was ₹2,543.06 million during Fiscal 2016, which primarily related to (i) purchase of property, plant and equipment (including CWIP) to upgrade and replace our machinery and facilities of ₹2,492.86 million and (ii) investments made in bank deposits (having original maturity of more than three months) of ₹110.28 million.

### **Cash Flows from Financing Activities**

#### *Fiscal 2018*

Net cash used in financing activities was ₹1,902.78 million during Fiscal 2018, which consisted of repayment of short-term borrowings of ₹1,132.21 million and interest paid of ₹943.63 million, partially offset by proceeds from long-term borrowings of ₹343.02 million.

#### *Fiscal 2017*

Net cash used in financing activities was ₹98.41 million during Fiscal 2017, which consisted of proceeds from long-term borrowings of ₹997.12 million and partially offset by interest paid of ₹670.35 million, repayment from short-term borrowings of ₹248.04 million and payments of dividend and dividend distribution tax of ₹177.14 million.

#### *Fiscal 2016*

Net cash from financing activities was ₹454.90 million during Fiscal 2016, which consisted of proceeds from short-term borrowings of ₹1,158.38 million, proceeds from long-term borrowings of ₹1,016.39 million, partially offset by interest paid of ₹1,487.29 million.

### **Working Capital Cycle**

The following table sets forth certain of our working capital ratios for the periods indicated:

	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
Debtor Days	72	74	87
Inventory Days	96	131	90
Payable Days	65	116	97

“Debtor Days” is defined as (i) closing trade receivables (current and non-current) divided by (ii) revenue from operations divided by 365.  
 “Inventory Days” is defined as (i) closing inventory divided by (ii) Raw Material Cost of Goods Sold divided by 365.

“Payable Days” is defined as (i) closing trade payables divided by (ii) Raw Material Cost of Goods Sold divided by 365.

### Debtor Days

Our Debtor Days has decreased from 87 days in Fiscal 2016 to 72 days in Fiscal 2018, primarily due to our increased use of channel financing, which allows us to receive payment quickly from banks rather than waiting for payment directly from our customers.

### Inventory Days

Our Inventory Days increased were significantly higher in Fiscal 2017 than Fiscals 2016 and 2018, primarily due to strategic purchases of raw materials, especially copper and aluminium, to cater for potential supply shortages and to allow ourselves to ramp up production in Fiscal 2018 in case of higher sales volumes.

### Payable Days

Our Payable Days increased from 97 days in Fiscal 2016 to 116 days in Fiscal 2017 primarily due to the higher purchase volumes of raw materials as discussed above under “—Inventory Days”. Our Payable Days decreased from 116 days in Fiscal 2017 to 65 days in Fiscal 2018 due to a conscious focus on our part to promptly repay interest-bearing trade payables to reduce our finance costs.

### Indebtedness

The following table provides the types and amounts of our outstanding indebtedness as at March 31, 2018:

	As at March 31, 2018 (₹ in million)
<b>Non-Current Financial Liabilities</b>	
External commercial borrowing (secured)	1,084.10
Rupee loans (secured)	1,231.49
Less: current maturities of long-term borrowings	(726.10)
<b>Total Non-Current Financial Liabilities</b>	<b>1,589.49</b>
<b>Current Financial Liabilities</b>	
Buyer’s credit (secured)	4,156.20
Cash credit from banks (secured)	59.25
Short-term loan from banks (secured)	1,087.00
Packing credit (secured)	351.20
Short-term loan from banks (unsecured)	33.80
<b>Total Current Financial Liabilities</b>	<b>5,687.45</b>
<b>Current maturities of long-term borrowings</b>	<b>726.10</b>
<b>Total</b>	<b>8,003.04</b>

“Buyer’s credit” relates to amounts payable to banks against our imports, and “Packing credit” relates to amounts payable to banks for our exports.

For further details regarding the loans to which we are a party, including their key terms and interest rates, see “Financial Indebtedness” on page 527 of this Draft Red Herring Prospectus.

### Contractual Obligations and Commercial Commitments

The following table sets forth a maturity profile of our contractual obligations and commercial commitments as at March 31, 2018:

	Current financial liabilities	Non-current financial liabilities		Total
		1 to 5 years	> 5 years	
(₹ in million)				
Borrowings (included in current financial liabilities and non-current financial liabilities excluding current maturities of long-term borrowings)	5,687.45	1,589.49	-	7,276.94
Trade payables	9,220.87	-	-	9,220.87
Other current financial liabilities (including current maturities of long-term borrowings)	1,163.41	-	-	1,163.41
Leases	46.18	153.94	108.10	308.22

	Current financial liabilities	Non-current financial liabilities		Total
		1 to 5 years	> 5 years	
(₹ in million)				
Capital and other commitments	1,246.16	-	-	1,246.16
<b>Total</b>	<b>17,364.07</b>	<b>1,743.43</b>	<b>108.10</b>	<b>19,215.60</b>

## Capital Expenditure

### Historical capital expenditure

The following table sets forth our capital expenditures, reflected in our financial statements as additions/adjustments to property, plant and equipment, by category of expenditure, for each of the years indicated below.

	Fiscal 2018	Fiscal 2017	Fiscal 2016
	(₹ in million)		
Freehold land and leasehold land	62.80	77.33	89.46
Buildings	516.71	790.03	1,068.79
Plant and equipment	1,400.50	1,686.03	1,241.55
Others	100.02	132.17	154.14
<b>Total</b>	<b>2,080.03</b>	<b>2,685.56</b>	<b>2,553.94</b>

Others includes electrical installations, furniture and fixtures, office equipment, vehicles and leasehold improvements.

Our historical capital expenditure has primarily related to capacity enhancement, upgrading and replacement at our existing manufacturing facilities for our wires and cables business, and setting up new manufacturing facilities for our FMEG business.

### Planned capital expenditure

In Fiscal 2019, we expect to incur planned capital expenditures relatively in line with our capital expenditures for Fiscals 2016, 2017 and 2018, primarily in relation to enhance capacity, and upgrades and replacements with respect to our facilities. We anticipate funding our planned capital expenditures by a combination of cash from our operations and loans from commercial banks and financial institutions. Our actual capital expenditures may differ from this amount due to various factors, including changes in our business plan, our financial performance, market conditions and changes in government regulations, as well as the factors described in the section of this Draft Red Herring Prospectus entitled “Risk Factors”, beginning on page 20.

## Contingent Liabilities

From time to time, we grant security over certain of our assets as collateral as well as issue corporate guarantees in respect of debt incurred by us. In addition, we also provide corporate guarantees in respect of loans taken by our joint venture Ryker.

Our contingent liabilities to the extent not provided for as per Ind AS 37 as at March 31, 2018 included the following:

Particulars	As at March 31, 2018
	(₹ in million)
<b>a) Guarantees</b>	
(i) Guarantees given by the Group’s bankers to the Group	4,849.00
<b>b) Other matters for which the Group is contingently liable</b>	
<b>(i) Taxation matters</b>	
(a) Disputed liability in respect of sales tax/VAT demand and pending sales tax/VAT forms	359.14
(b) Disputed liability in respect of excise duty demand	45.60
(c) Disputed liability in respect of custom duty demand	15.50
<b>Total</b>	<b>5,269.24</b>

## Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

## Quantitative and Qualitative Disclosure about Market Risk

We are, during the normal course of business, exposed to various types of market risks. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to interest rate risk, commodity risk and foreign exchange risk in the normal course of our business.

### ***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to the fluctuation of the prevailing market interest rates relating to our long-term debt obligations with floating rates.

We manage our interest rate risk by having a fixed and variable rate loans and borrowings. Our approach is to keep the majority of our borrowings at fixed rates of interest for long-term funding. We also enter into interest rate swaps for long-term foreign currency borrowings, in which we agree to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As of March 31, 2018, approximately 96% of our borrowings were at a fixed rate of interest (after taking into account the effect of interest rate swaps). The interest rates on certain of our indebtedness are subject to periodic resets. Fluctuations in interest rates or resets may increase the cost of both existing and new debts. Such changes in interest rates may affect our debt service obligations and our access to funds.

For a sensitivity analysis of our exposure to changes in interest rates to our profit and loss: prices for Fiscals 2018, 2017 and 2016 as per the requirements of Ind AS 107 “Financial instruments Disclosures”, see “*Financial Statements—Annexure XLIX(A)(i)—Interest rate risk*” on page 320 of this Draft Red Herring Prospectus.

For further information, please refer to “*Financial Indebtedness*” on page 527 of this Draft Red Herring Prospectus.

### ***Commodity Price Risk***

We are exposed to risks in respect of price and availability of certain commodities that we use in the process of manufacturing our products, in particular copper, aluminium, PVC Compounds and steel. The prices of copper and aluminium are linked to the prices of those commodities on the LME, the price of PVC Compounds are directly linked the price of crude oil, and the price of domestic steel depends on market prices of steel in India. As a result, our Raw Material Costs of Goods Sold tend to be impacted by the movements of the LME, of crude oil benchmarks and of Indian market prices for steel. While we are generally able to pass on changes in the cost of our primary raw materials to our customers (whether due to changes in commodity index prices or exchange rates), we may not be able to do so immediately or fully, and so strong and rapid fluctuations in the prices of these raw materials could affect our operating results. With effect from April 1, 2016, we use a fair value hedge for the copper and aluminium that we purchase with prices to be fixed in the future. Therefore, there is no impact of fluctuation in the price of copper and aluminium on our profit for Fiscal 2018 to the extent of inventory on hand and the hedge is effective. For purchases of steel and PVC, we do not enter in arrangements where the prices are to be fixed in the future.

For a sensitivity analysis of our exposure to changes in the price of copper and aluminium to our profit and loss for the three months period ended June 30, 2018 and Fiscals 2018, 2017 and 2016 as per the requirements of Ind AS 107 “Financial instruments Disclosures”, see “*Financial Statements—Annexure XLIX(A)(iii)—Commodity price risk*” on page 321 of this Draft Red Herring Prospectus.

We also have agreements with a majority of our suppliers, whereby we have a 60 to 90-day window to price our products from the time of raw material procurement, primarily relating to our copper and aluminium supplies. This allows us to factor in the costs of the raw materials when we enter into any sales contracts and accordingly pass on any increase in the prices of raw materials to our customers.

See “*Our Business—Raw Materials and Procurement*” on page 201 of this Draft Red Herring Prospectus for further details regarding our supply contracts.

### ***Foreign Exchange Risk***

Changes in currency exchange rates influence our results of operations. Our exposure to foreign exchange risk relates primarily to our operating activities (when revenue or expenses are denominated in a foreign currency) and our foreign currency borrowings. While we report our consolidated financial results in Indian Rupees, a significant portion of our raw material purchases, in particular aluminium, copper and PVC Compound, are priced by reference to benchmarks quoted in US dollars, and hence our expenditures are largely influenced by the value of the US dollar. To a lesser extent, our revenue is influenced by the currencies of countries to which we export our products, largely being the US dollar, Euro or British Pound. As at March 31, 2018, we had unhedged foreign currency exposure (net inflow / (outflow)) to the US Dollar of US\$(68.49) million (₹(4,455.13) million equivalent), to the Euro of €(3.02) million (₹(243.60) million equivalent), and to the British Pound of £0.12 million (₹11.19 million equivalent). We also currently use derivative instruments to mitigate our foreign exchange risk.

For a sensitivity analysis of our exposure to changes in foreign exchange rates, for the three months period ended June 30, 2018 and Fiscals 2018, 2017 and 2016 as per the requirements of Ind AS 107 “Financial instruments Disclosures” see “*Financial Statements—Annexure XLVII—Foreign currency risk*” on page 444 of this Draft Red Herring Prospectus.

For more details on foreign exchange risk, see “—*Significant Factors Affecting our Results of Operations and Financial Condition— Exchange Rates*” on page 506.

### **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables.

Our trade receivables are non-interest bearing and are generally on credit terms up to 90 days, except for our EPC business. For our EPC business, our credit terms are dependent on the terms of our contracts.

We are exposed to credit risk on monies owed to us by our customers. As at March 31, 2018, we had current trade receivables of ₹12,693.59 million and non-current trade receivables of ₹880.00 million, for a total amount of ₹13,573.59 million. If our customers do not pay us promptly, or at all, we may have to make provisions for or write off such amounts. As at March 31, 2018, ₹1,215.50 million was the total provision for impairment allowance on trade receivables considered doubtful. However, we generally receive payments from these parties within due dates, and do not have significant credit risk related to these parties.

Customer credit risk is also managed by the group’s established policies, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and reconciled.

### **Significant Post-Balance Sheet Events**

Except as disclosed in this Draft Red Herring Prospectus, we are not aware of any circumstances that have arisen since June 30, 2018, that materially and adversely affect, or are likely to affect, our operations or profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months.

### **Known Trends or Uncertainties**

Except as described in this section and “*Risk Factors*” beginning on page 20, to our knowledge, there are no trends or uncertainties that have had, or are expected to have, a material impact on our business or results of operation.

### **Seasonality**

Our revenue from operations tends to be relatively higher in the second half of the fiscal year than in the first half, due to a variety of factors including, but not limited to, some customers not having finalized their annual business plans or budgets at the start of the year, and other customers pushing to achieve their annual targets towards the end of the year. In terms of expenses, certain of our expense items tend to be higher during the first half of the year, particularly our advertising and sales promotions as we often advertise at sporting events that take place near the start of the year. As our sales tend to be relatively lower, and expenses can be relatively higher, in the first half of the fiscal year, our total income, total expenses, profit and profit margin can experience seasonal fluctuations. Accordingly, our results for any particular period within a fiscal year may not necessarily be indicative of our results for a full fiscal year. For further details, see “*Risk Factors—External Risk Factors—Our performance is subject to seasonality*” on page 42.

### **Unusual or Infrequent Events or Transactions**

Other than as described in this section and the sections of this Draft Red Herring Prospectus entitled “*Our Business*”, “*Risk Factors*” and “*History and Certain Corporate Matters*” on pages 181, 20 and 212, there have been no events or transactions which may be described as “unusual” or “infrequent”.

### **Significant economic changes that materially affected or are likely to affect revenue from operations**

Other than as described in this section and the sections of this Draft Red Herring Prospectus entitled “*Our Business*”, “*Risk Factors*” and “*Industry Overview*” on pages 181, 20 and 132, there have been no significant economic changes that materially affected or are likely to affect income from continuing operations.

### **Material Increases in Net Revenues and Sales**

Material increases in our net revenues and sales are primarily due to the reasons described in “*Results of Operations*” above on page 515.

### **Total Turnover of Each Major Industry Segment in which our Company Operated**

We operate primarily in the wires and cables industry. For turnover data for the wires and cables industry in India, see “*Industry Overview*” on page 132 of this Draft Red Herring Prospectus, and for details of our total income for our wires and cables

business, see “—*Description of Line Items— Description of Income Items—Total Income*” and “*Our Business*”, on pages 513 and 181, respectively.

### **Future Relationships between Costs and Income**

Other than as described in this section and the sections of this Draft Red Herring Prospectus entitled “*Our Business*” and “*Risk Factors*” on pages 181 and 20, respectively, there are no known factors which will have a material adverse impact on our operations or finances.

### **New Product or Business Segments**

Other than as described in the section of this Draft Red Herring Prospectus entitled “*Our Business*” on page 181, we do not intend to enter into any new business segments, though we strive to come up with new products in the ordinary course of business.

### **Competitive Conditions**

For a description of the competitive conditions in which we operate, see the section of this Draft Red Herring Prospectus entitled “*Our Business—Competition*” and “*Industry Overview*” on pages 208 and 132, respectively.

### **Suppliers or Customer Concentration**

Other than as described in the sections of this Draft Red Herring Prospectus entitled “*Our Business—Sales and Marketing*” on page 202 and “*Risk Factors – Internal Risk Factors – We depend on a limited number of third parties for the supply of our primary raw materials and delivery of products and such third parties could fail to meet their obligations, which may have a material adverse effect on our business, results of operation, financial condition and cash flows.*” on page 24 and the discussion of our credit risk in this section “— *Credit Risk*” above, we do not have any material dependence on a single or a few suppliers or customers.



## FINANCIAL INDEBTEDNESS

Our Company, its Subsidiaries and its Joint Ventures avail loans in the ordinary course of business for the purposes of capital expenditure, working capital including procurement of raw materials, cash flow mismatch, and for general corporate purposes.

The following table sets forth details of the aggregate outstanding borrowings of our Company and its Subsidiaries and its Joint Ventures on a consolidated basis as on October 5, 2018:

Category of borrowing	Outstanding amount (in ₹ million)
<b>Term loan</b>	
Fund Based	3,714.67
Non Fund Based	3.20
<b>Working capital</b>	
Fund Based	324.47
Non Fund Based	20,327.13
<b>Total</b>	<b>24,369.47</b>

### Principal terms of the borrowings availed by our Company and its Subsidiaries and its Joint Ventures:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. **Interest:** In terms of the fund based facilities availed by us, the interest rate is decided by the lenders and mutually agreed by our Company. The interest rate typically ranges from 8.50% per annum to 13.50% per annum.
2. **Tenor:** The tenor of the fund based and non-fund based facilities availed by us typically ranges from one month to five years. Further, certain of our facilities are payable on demand.
3. **Security:** In terms of our borrowings where security needs to be created, we are typically required to:
  - a) create charge on all movable and certain immovable fixed assets of our Company;
  - b) create charge on current assets, book debts, stocks and receivables; and
  - c) offer any other security.
4. **Repayment:** While certain fund based facilities are repayable on demand, the repayment period for the other facilities typically ranges from 90 days to five years.
5. **Prepayment:** In terms of certain facilities availed by us, we have the option to pre pay the lenders, in part or in full - the debt together with all interests, prepayment premium and other charges and monies due and payable to the bank up to the due date.
6. **Key covenants:**

In terms of our facility agreements and sanction letters, we are typically required to, *inter-alia*:

- a) maintain and submit quarterly, bi-annual and annual financial statements as may be required by the lenders;
- b) intimate the lenders of the happening of any event likely to have a substantial effect on its business or profits;
- c) ensure compliance with the statutory laws it is subject to;
- d) monitor compliance with financial covenants;
- e) monitor end-use of the facility amounts for stated purpose for which the facility is availed;
- f) intimate and take prior consent of the lenders about change in line of business or change in ownership;
- g) intimate and take prior consent of the lenders about change in capital structure or change in shareholding;
- h) take prior consent from the lenders for entering into any scheme of expansion, merger, de-merger, arrangement, amalgamation, reconstitution or corporate reconstruction;
- i) take prior consent of lenders before declaration of dividend for any year except out of the profits relating to that year;

- j) take prior consent of lenders before dilution / pledge in promoter's shares in our Company;
- k) observe restrictions on further indebtedness over and above the specified threshold;
- l) provide details of the recovery suits pending by or against any bank or financial institution; and
- m) take prior consent of the lenders before undertaking any guarantee obligation on behalf of any other company.

7. ***Events of default:***

In terms of our facility agreements and sanction letters, the following, among others, constitute as events of default:

- a) failure to pay amounts on the due date;
- b) violation of any term of the relevant agreement or any other borrowing agreement;
- c) upon shareholding of our Promoters in our Company falling below 51%;
- d) proceedings of winding up not being disposed off or stayed in a stipulated time frame, or if any creditor or liquidator takes possession of our property, or any similar events of bankruptcy or suspension of payment to creditor;
- e) use of the facility for investments in capital markets, or investment in real estate;
- f) any material adverse effect which would have an effect on our ability to repay the facilities availed;
- g) suspension or cessation of business; and
- h) any circumstance of expropriation or unlawfulness for continuance of facility.

Additionally, our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various loan documentation entered into by our Company for the purpose of availing of loans is not triggered.

8. ***Consequences of occurrence of events of default:***

In terms of our facility agreements and sanction letters, the following, among others, are the consequences of occurrence of events of default, our lenders may:

- a) withdraw, suspend, cancel or amend the terms and conditions of the sanctioned facilities;
- b) enforce their security over the hypothecated assets;
- c) seek immediate repayment of all or part of the outstanding amounts under the respective facilities; and
- d) initiate legal proceedings for recovery of their dues.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*The details of outstanding litigation or proceedings relating to our Company, our Subsidiaries, our Joint Ventures, our Group Companies, our Directors and our Promoters are described in this section in the manner as set forth.*

#### **Disclosure of litigation involving our Company, our Subsidiaries and our Joint Ventures:**

*Except as disclosed below there are no (i) outstanding criminal proceedings involving our Company, our Subsidiaries and our Joint Ventures, (ii) outstanding actions taken by regulatory or statutory authorities involving our Company, our Subsidiaries and our Joint Ventures, (iii) outstanding taxation related proceeding involving our Company, our Subsidiaries and our Joint Ventures, (iv) other outstanding matters involving our Company, our Subsidiaries and our Joint Ventures which are considered as material in terms of the materiality policy (as disclosed herein below), (v) outstanding matters involving our Company, our Subsidiaries and our Joint Ventures whose outcome could have material adverse effect on our Company, and (vi) outstanding matters filed against our Company, our Subsidiaries and our Joint Ventures which are in the nature of winding up petitions.*

*It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, Subsidiaries, Joint Ventures, Directors, Promoters or Group Companies shall not be considered as litigation until such time that any of Company, Subsidiaries, Joint Ventures, Directors, Promoters or Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*In relation to (iv) above, given the nature and extent of operations of our Company, our Subsidiaries and our Joint Ventures, the outstanding litigation involving our Company, our Subsidiaries and our Joint Ventures which exceeds 1% of the profit for the year as per the Restated Consolidated Financial Statements (as at and for the Fiscal 2018), would be considered material for our Company. The profit for the year as per the Restated Ind AS Consolidated Summary Statement of Profit and Loss (as at and for the Fiscal 2018), was ₹ 3,707.95 million, respectively. Accordingly, we have disclosed all outstanding litigation involving our Company, our Subsidiaries and Joint Ventures where (i) the aggregate amount involved exceeds ₹ 37.08 million (being an amount which is 1% of the profit for the year, as per the Restated Consolidated Financial Statements (as at and for the Fiscal 2018) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 37.08 million, and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

*Our Board has also approved that dues owed by our Company on a consolidated basis as at June 30, 2018 to the small scale undertakings and other creditors exceeding 5% of the total outstanding dues (that is trade payables) owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 548.02 million (being an amount which is approximately 5% of the total outstanding dues (that is trade payables) owed by our Company to the small scale undertakings and other creditors as at June 30, 2018).*

*For details of the manner of disclosure of litigation relating to our Promoters, Directors and Group Companies, see “Outstanding Litigation and Material Developments – Litigation involving our Promoters”, “Outstanding Litigation and Material Developments – Litigation involving our Directors” and “Outstanding Litigation and Material Developments – Litigation involving our Group Companies” on pages 532, 534 and 535, respectively.*

*For details of outstanding litigation in relation to direct and indirect taxes involving our Company, Subsidiaries, Promoters, Directors and Group Companies, see “Outstanding Litigation and Material Developments – Tax Proceedings” on page 536.*

#### **Litigation involving our Company**

##### **A. Litigation filed against our Company**

###### *Criminal matters*

1. Inspector of Legal Metrology, Nagpur (“**Complainant**”), issued a notice dated April 7, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”), Saoner in respect of seizure of articles under the Legal Metrology Act. The Notice alleged, *inter alia*, absence of name and address of packer and date of packaging, in respect of packages of halogen lamps and bulbs manufactured by our Company, in violation of *inter alia*, sections 18(1) and 36(1) of the Legal Metrology Act and read with Rule 6(1)(d) of the Legal Metrology Rules. The matter is currently pending.

2. Assistant Controller of Legal Metrology, Metrology Department, Government of Karnataka (“**Complainant**”), issued a notice dated November 25, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Traffic Court-I, Bangalore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. The Notice alleged *inter-alia*, absence of certain markings including (i) net quantity in standard units, (ii) dates of manufacture and importing on packages, (iii) symbol or the number on the item, in respect of certain water heaters and fans manufactured by our Company, in violation of Legal Metrology Act and Legal Metrology Rules. The matter is currently pending.
3. Inspector of Legal Metrology, Mysore (“**Complainant**”), issued a notice dated February 10, 2017 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director, and Ajay T. Jaisinghani. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”) Court, Mysore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. The Notice alleged, *inter alia*, absence of the currency symbol ‘Rs’ on two packages containing Polycab fans freshner and metal exhaust fans manufactured by our Company, in violation of the Legal Metrology Act and Legal Metrology Rules. The matter is currently pending.
4. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. The Notice alleged *inter-alia*, absence of certain markings including (i) retail sales price, (ii) declaration regarding length on the label, in respect of certain PVC installation cables manufactured by our Company, in violation of Legal Metrology Act and Legal Metrology Rules. The matter is currently pending.

*Civil matters considered material as per the materiality policy*

1. Sam Business Continuity Services (“**Applicant**”) filed a commercial arbitration application dated June 10, 2017 (“**Application**”) before the High Court of Bombay, against our Company (“**Respondent**”), under section 11(5) of the Arbitration and Conciliation Act, 1996. The Applicant and the Respondent had entered into a consultancy agreement (“**Consultancy Agreement**”) in relation to the services of the Applicant to bid in various state government projects for power transmission and distribution projects in Bihar. The Application was filed in relation to the alleged non-payment of dues amounting to ₹ 47.93 million by our Company, along with an interest of 18% per annum, in respect of the services rendered by the Applicant in terms of the Consultancy Agreement. Further, the Respondent refused to accept the appointment of a sole arbitrator appointed by the Applicant. Accordingly, the Applicant has filed the Application to seek appointment of the sole arbitrator to adjudicate the matter. The amount involved in the matter is ₹ 47.93 million. The matter is currently pending.
2. Shri Krishnashray (India) Private Limited (“**Plaintiff**”) filed a commercial suit dated October 15, 2018 (“**Suit**”) before the High Court of Bombay, against our Company (“**Defendant**”) in relation to the alleged breach of three product sourcing agreement (“**Agreements**”) entered into between the parties. In terms of the Agreements, the Plaintiff stopped manufacturing switches under its brands ‘*Clia*’ modular switches and ‘*Yogi*’ non-modular switches, and used the same designs for manufacturing switches (“**Switches**”) for the Defendant under the brand ‘*Cleta*’ and ‘*Selene*’, modifying the moulds of the Switches to affix the name of ‘Polycab’ in consideration of the Defendant purchasing an assured amount of Switches and giving a purchase guarantee of Switches. Subsequently, the Plaintiff filed a suit alleging non-purchase of Switches by the Defendant and thereby praying, *inter alia*, reimbursement of expenses amounting to an accrued amount of ₹ 634.21 million together with further interest of 18% per annum, in respect of loss suffered by the Plaintiff. The amount involved in the matter is ₹ 634.21 million. The matter is currently pending.

*Actions taken by Statutory or Regulatory Authorities*

1. Our Company remitted various remittances to Polycab Italy from 2012 to 2016 as equity and loans, amounting to a total of EUR 478,276.11. In addition, our Company made a remittance of Euro 50,000 to Polycab Italy on November 17, 2014 on account of share capital, which was recorded as loans in the books of Polycab Italy. Polycab Italy wrote back such remittances of equity capital and loans on various dates in terms of the Italian Civil Code, however, such write-off was not reflected in the books of our Company. Subsequently, our Company filed the Form ODI and applied to the RBI in October 2016 through its Authorised Dealer (AD) bank seeking approval for write-off of the investment and the loan. RBI issued a memorandum of compounding of contraventions vide a letter dated May 5, 2017 (“**Letter**”) to our Company in respect of alleged violations of Regulation 16A(3) and 15(i) of the ODI Regulations (“**Violation**”) in relation such transactions and subsequent compounding of offence in terms of applicable guidelines for compounding of contraventions under FEMA. Accordingly, our Company filed the compounding application (“**Application**”)

with RBI for alleged contravention of the ODI Regulations, including (i) writing-off of the equity investment and loan extended to Polycab Italy of Euro 470,000 without obtaining the RBI approval, and (ii) non-receipt of share-certificates (quotas) in respect of the equity investment in Polycab Italy. Our Application was returned by the Overseas Investment Division, FED Central Office, Mumbai due to an incomplete administrative action. Accordingly, RBI directed the Company to submit fresh compounding application with the prescribed fees and all requisite documents after completing all administrative actions with the Overseas Investment Division. Subsequently, the RBI in a meeting (“**Meeting**”) with our Company observed that the Violation was non-compoundable and was outside the purview of FEMA, as the write off was beyond 25% of the total financial commitment. Accordingly, the RBI directed our Company to comply with either of the following: (i) To increase the investment of our Company in Polycab Italy such that the write off value of Euro 470,000 becomes equivalent to or less than 25% of the total financial commitment. Further, RBI asked if Polycab Italy can repatriate the funds back to our Company in the near future considering Polycab Italy is expected to incur profits; or alternatively, (ii) to wind up the investment in Polycab Italy. Our Company will be responding to the queries raised in the Meeting in due course. The matter is currently pending.

*Other matters considered material*

1. Nirav Anupam Tarkas, the Resolution Professional (“**RP**”) on behalf of Startus Foods Private Limited (“**Applicant Company**”), allegedly filed an interlocutory application dated May 17, 2018 (“**Application**”) before the NCLT, Ahmedabad Bench, against our Company under section 32 of the National Company Law Tribunal Rules, 2016. Pursuant to the commencement of the liquidation proceedings against the Applicant Company in terms of IBC, the RP allegedly filed the Application praying, *inter alia*, (i) permission to file insolvency petition against our Company under section 9 of the IBC, and (ii) recovery of the alleged dues of ₹ 0.65 million together with the interest in respect of the catering services rendered by the Applicant Company to our Company under the service agreement entered between the Applicant Company and our Company. Our Company has filed a reply to the Application stating that the invoices raised by the Applicant Company were never accepted by it as the Applicant Company failed to provide the services for the concerned period, and accordingly, no amount was due to the Applicant Company by our Company. Our Company has not received any notice till date from NCLT, Ahmedabad Bench in respect of the Application. Accordingly, our Company deems the matter to be closed.

*Civil matters involving an amount below the materiality policy*

In addition to the above, various litigations have been filed against our Company which are pending before various forums and matters typically pertain to suits in relation to *inter-alia*, non-payment of dues in respect of logistics services availed by our Company, and towards the sales commission. The matters are currently pending.

**B. Litigation filed by our Company**

*Criminal matters*

1. Our Company has filed 40 complaints against various dealers of our Company under section 138 of the Negotiable Instruments Act, 1881 in relation to dishonor of cheques. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹ 26.60 million.
2. A first information report (“**FIR**”) was registered by Faizal Parkar on September 27, 2018, on behalf of our Company, at the Navchandi Police Station (“**Police**”), against Mohit Dinesh Bansal, under Section 420 of the Indian Penal Code. The FIR was filed pursuant to a raid conducted by the police on September 26 and 27, 2018 in Meerut, Uttar Pradesh on a wholesaler cum supplier, subsequent to which huge quantities of spurious goods such as cables and wires in our brand’s name were confiscated and seized. The matter is currently pending.
3. A first information report (“**FIR**”) was registered by Faizal Parkar on September 27, 2018, on behalf of our Company, at the Kolsewadi Police Station (“**Police**”), against Cable King (“**Accused**”), under Section 420 of the Indian Penal Code. The FIR was filed pursuant to a raid conducted by the police on September 8, 2018 in Thane, Maharashtra on a godown owned by the Accused, subsequent to which huge quantities of spurious goods such as cables and wires in our brand’s name were confiscated and seized. The matter is currently pending.

*Civil matters considered material as per the materiality policy*

1. Our Company (“**Plaintiff**”) filed a summary suit dated April 23, 2014 before the High Court of Bombay against Electrosteeel Steels Limited (“**Defendant**”) for recovery of dues of ₹ 109.48 million along with interest at the rate of 18% amounting to ₹ 39.29 million, in respect of various purchase orders placed by the Defendant

upon the Plaintiff for supply electrical cables, wires, aluminium and copper conductors. The High Court of Bombay passed orders (“**Orders**”) directing the Defendant to pay ₹ 148.78 million to the Plaintiff. Subsequently, the Defendant filed an appeal before the High Court of Bombay against the Orders. Thereafter, an insolvency petition was admitted against the Defendant, and consequently, the Plaintiff submitted a proof of claim for the amount of ₹ 220.94 million. The amount involved in the matter is ₹ 220.94 million. The matter is currently pending.

2. Our Company (“**Plaintiff**”) filed a summary suit dated March 13, 2013 before the High Court of Bombay against Lanco Infratech Limited (“**Defendant**”), for recovery of dues of ₹ 61.80 million along with interest at the rate of 18% amounting to ₹ 20.40 million, in respect of various purchase orders placed by the Defendant upon the Plaintiff for supply of HT cables. Thereafter, the High Court of Bombay passed an order directing the Defendant to deposit a sum of ₹ 56.69 million in the court, which was consequently paid by the Defendant. Subsequently, an insolvency petition was admitted against the Defendant, and consequently, the Plaintiff submitted a proof of claim for the remaining amount of ₹ 62.72 million. The amount involved in the matter is ₹ 62.72 million. The matter is currently pending.
3. Our Company (“**Plaintiff**”) filed a summary suit (“**Suit**”) in 2014 before the High Court of Bombay against ETA Engineering Private Limited (“**Defendant**”), for recovery of dues of ₹ 42.97 million inclusive of interest at the rate of 18% amounting, in respect of various purchase orders placed by the Defendant upon the Plaintiff for supply of electrical cables and wires. Thereafter, the High Court of Bombay passed an order (“**Order**”) that the Plaintiff cannot be given the leave to sue in Mumbai when the parties made the contract ‘subject to Daman jurisdiction’. The Plaintiff has filed an appeal against the Order. The Plaintiff proposes to withdraw the Suit. The amount involved in the matter is ₹ 42.97 million. The matter is currently pending.
4. Our Company (“**Petitioner**”) filed a writ petition in April, 2018 (“**Petition**”) before the High Court of Karnataka against the State of Karnataka and others (“**Respondent**”) in respect of allotment of a parcel of land situated at Nelamangala Taluk, Bangalore (“**Land**”) measuring around three acres. The Petitioner had purchased the Land from a private vendor and subsequently, constructed a part of its industry on the Land. Karnataka Industrial Area Development Board (“**KIADB**”) has allotted 10 acres of Land including the three acres of the Land purchased by the Petitioner, to Sreedevi Power Industries (“**Sreedevi**”). Accordingly, the Petitioner filed the Petition. Thereafter, the High Court of Karnataka passed an order directing the KIADB to reconsider the claim of the Petitioner, in view of the fact that only five acres out of the entire 10 acres of the Land assured to Sreedevi has been allotted by KIADB to Sreedevi. The amount involved in the matter is not ascertainable. The matter is currently pending.

#### *Civil matters involving an amount below the materiality policy*

In addition to the above, various litigations have been filed against our Company which are pending before various forums and matters typically pertain to summary suit for recovery of dues in relation to *inter-alia*, supply of products including fans, switches, lights, cables and wires. The matters are currently pending.

### **I. Litigation involving our Subsidiaries and Joint Ventures**

#### *Actions taken by Statutory or Regulatory Authorities*

#### **Litigation against Polycab Italy**

1. RBI issued a memorandum of compounding of contraventions vide a letter dated May 5, 2017 (“**Letter**”) to our Company in respect of alleged violations of Regulation 16A(3) and 15(i) of the ODI Regulations (“**Violation**”) in relation to our wholly owned subsidiary, Polycab Wires Italy SRL (“**Polycab Italy**”) and subsequent compounding of offence in terms of applicable guidelines for compounding of contraventions under FEMA. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Actions taken by Statutory or Regulatory Authorities.*” on page 530.

### **II. Litigation involving our Promoters**

**Disclosure of litigation involving our Promoters:** *Except as disclosed below, there are no (i) outstanding criminal litigation involving our Promoters, (ii) outstanding actions taken by regulatory or statutory authorities against our Promoters, (iii) outstanding tax proceedings involving our Promoters, (iv) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Promoters whose outcome could have a material and adverse effect on our Company’s results of operations or financial position or reputation.*

*Our Board has determined that all outstanding litigation against our Promoters where the amount would exceed 1% of the profit for the year as per the Restated Consolidated Financial Statements (as at and for the Fiscal 2018) or*

where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company, would be considered as material for our Company and accordingly, each of the individual promoters shall identify and provide information relating to such outstanding litigation involving themselves.

### **Litigation filed against our Promoters**

#### **Litigation against Inder T. Jaisinghani**

##### *Criminal matters*

1. Inspector of Legal Metrology, Nagpur (“**Complainant**”), issued a notice dated April 7, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”), Saoner in respect of seizure of articles under the Legal Metrology Act. The matter is currently pending. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 529.
2. Assistant Controller of Legal Metrology, Metrology Department, Government of Karnataka (“**Complainant**”), issued a notice dated November 25, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Traffic Court-I, Bangalore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. The matter is currently pending. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
3. Inspector of Legal Metrology, Mysore (“**Complainant**”), issued a notice dated February 10, 2017 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director, and Ajay T. Jaisinghani. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”) Court, Mysore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
4. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.

##### *Other matters considered material*

1. Virgo Marketing, Chandigarh (“**Complainant**”), filed a civil suit in January 2016 against our Company and Inder T. Jaisinghani, Chairman and Managing Director before the Civil Judge, Junior Division, Chandigarh in respect of non-payment of commission amounting to ₹ 9.24 million. The matter is currently pending.

#### **Litigation against Ajay T. Jaisinghani**

##### *Criminal matters*

1. Inspector of Legal Metrology, Mysore (“**Complainant**”), issued a notice dated February 10, 2017 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director, and Ajay T. Jaisinghani. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”) Court, Mysore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
2. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.

## **Litigation against Ramesh T. Jaisinghani**

### *Criminal matters*

1. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.

## **III. Litigation involving our Directors**

**Disclosure of litigation involving our Directors:** *Except as disclosed below there are no (i) outstanding criminal litigation involving our Directors, (ii) outstanding actions taken by regulatory or statutory authorities against our Directors, (iii) outstanding tax proceedings involving our Directors, (iv) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Directors whose outcome could have a material and adverse effect on our Company’s results of operations or financial position or reputation.*

*Our Board has determined that all outstanding litigation against each of our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company, would be considered as material for our Company and accordingly, each of the individual directors shall identify and provide information relating to such outstanding litigation involving themselves.*

### **Litigation filed against our Directors**

#### **Litigation against Inder T. Jaisinghani**

### *Criminal matters*

1. Inspector of Legal Metrology, Nagpur (“**Complainant**”), issued a notice dated April 7, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”), Saoner in respect of seizure of articles under the Legal Metrology Act. The matter is currently pending. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 529.
2. Assistant Controller of Legal Metrology, Metrology Department, Government of Karnataka (“**Complainant**”), issued a notice dated November 25, 2016 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Traffic Court-I, Bangalore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. The matter is currently pending. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
3. Inspector of Legal Metrology, Mysore (“**Complainant**”), issued a notice dated February 10, 2017 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director, and Ajay T. Jaisinghani. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”) Court, Mysore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
4. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. The Notice alleged *inter-alia*, absence of certain markings including (i) retail sales price, (ii) declaration regarding length on the label, in respect of certain PVC installation cables manufactured by our Company, in violation of Legal Metrology Act and Legal Metrology Rules. The matter is currently pending.



*Other matters considered material*

1. Virgo Marketing, Chandigarh (“**Complainant**”), filed a civil suit in January 2016 against our Company and Inder T. Jaisinghani, Chairman and Managing Director before the Civil Judge, Junior Division, Chandigarh in respect of non-payment of commission amounting to ₹ 9.24 million. The matter is currently pending.

**Litigation against Ajay T. Jaisinghani**

*Criminal matters*

1. Inspector of Legal Metrology, Mysore (“**Complainant**”), issued a notice dated February 10, 2017 (“**Notice**”) against our Company and Inder T. Jaisinghani, Chairman and Managing Director, and Ajay T. Jaisinghani. Subsequently, the Complainant filed the Notice before the Judicial Magistrate First Class (“**JMFC**”) Court, Mysore in respect of seizure of articles under *inter alia*, sections 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.
2. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.

**Litigation against Ramesh T. Jaisinghani**

*Criminal matters*

1. Inspector of Legal Metrology, Mandvi -1 division (“**Complainant**”), issued a notice dated September 17, 2014 (“**Notice**”) against our Company and our directors including Inder T. Jaisinghani, Ajay T. Jaisinghani, Ramesh T. Jaisinghani and others. Subsequently, the Complainant filed the Notice before the Metropolitan Magistrate Esplanade, Mumbai in respect of seizure of articles under *inter alia*, sections 15, 18 and 36 of the Legal Metrology Act. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Criminal matters*” on page 530.

**Litigation against Shyam Lal Bajaj**

*Criminal matters*

1. Central Excise Customs Department issued a notice in 2007 against our director, Shyam Lal Bajaj and Sterlite Optical Technologies Limited, before the Judicial Magistrate First Class Court, Aurangabad, in respect of alleged violation of Export Orient Units (“**EOU**”) norms and non-payment of excise duty. The matter is currently pending.

**Litigation against Tilokchand Punamchand Ostwal**

*Other matters considered material*

1. A company application has been filed on May 11, 2009 before the Calcutta High Court in company petition by the official liquidator of Millennium Information System Limited (“**Millennium**”) against Tilokchand Punamchand Ostwal and others (the “**Respondents**”) under section 543 of the Companies Act seeking a declaration that the Respondents, the ex-directors/officers of Millennium allegedly misappropriated and misapplied Millennium’s funds and has sought other reliefs. Tilokchand Punamchand Ostwal resigned from the board of directors of Millennium on April 24, 2001. The matter is currently pending.
2. Ravindra Chintaman Pathare (“**Plaintiff**”), filed a suit (“**Suit**”) before the Bombay City Civil Court, against Tilokchand Punamchand Ostwal, Kshatriya Union Club (“**Club**”) and others. The Plaintiff filed the Suit praying for, *inter-alia*, removal of Tilokchand Punamchand Ostwal from the membership of the Mumbai Cricket Association (“**Association**”), and challenging right of the Club to nominate Tilokchand Punamchand Ostwal as a member of the Association by virtue of the Club allegedly being a founder member and associate member of the Association. The matter is currently pending.

**IV. Litigation involving our Group Companies**

*Disclosure of litigation involving our Group Companies: Except as disclosed below for our Group Companies there are no (i) outstanding criminal litigation involving our Group Companies, (ii) actions taken by regulatory or statutory*

authorities against our Group Companies, (iii) outstanding tax proceedings involving our Group Companies, and (iv) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Group Companies whose outcome could have a material and adverse effect on our Company's results of operations or financial position or reputation.

Our Board has approved that the outstanding litigation involving our Group Companies which exceed 1% of the profit for the year as per the Restated Consolidated Financial Statements, (as at and for the Fiscal 2018), would be considered material for our Group Companies. Accordingly, we have disclosed all material outstanding litigation involving our Group Companies where (i) the aggregate amount involved exceeds ₹ 37.08 million (being an amount which exceeds 1% of the profit for the year as per the Restated Consolidated Financial Statements (as at and for the Fiscal 2018), individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 37.08 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Nil

#### A. Tax Proceedings:

We have disclosed claims relating to direct and indirect taxes involving our Company, Subsidiaries, Joint Ventures, Promoters, Directors and Group Companies, in a consolidated manner giving details of the number of cases and total amount involved in such claims:

Nature of Case	Number of Cases	Amounts Involved (in ₹ million)
<b>Company</b>		
Direct Tax	Nil	Nil
Indirect Tax	46	700.98
<b>Subsidiaries</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Joint Ventures</b>		
Direct Tax	Nil	Nil
Indirect Tax	2	3.90
<b>Promoters</b>		
Direct Tax	Nil	Nil
Indirect Tax	1	3.00
<b>Directors</b>		
Direct Tax	Nil	Nil
Indirect Tax	1	3.00
<b>Group Companies</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

#### B. Small scale undertakings or any other creditors

Our Company, in its ordinary course of business, has outstanding trade payables aggregating to ₹ 10,960.40 million as at June 30, 2018. Our Company owes the following amounts, whereby material dues to creditors are identified as each creditor exceeding ₹ 548.02 million (being an amount which is 5% of the total outstanding dues (that is trade payables) owed by our Company to the small scale undertakings and creditors as at June 30, 2018.

Particulars	Number of Creditors	(in ₹ million)
Dues to small scale undertakings	30	71.50
Material dues to creditors	4	3,708.90
Other dues to creditors (including material dues to creditors)	2,103 <sup>^</sup>	10,888.90*

Note: As per the status of creditors under the Micro, Small and Medium Enterprises Development Act, 2006.

<sup>^</sup>Creditors are not ascertainable against provisions which were made as on the reporting date in financials, and are thus not included in the number of creditors.

\*Total Outstanding includes Bill of Exchange (BOE) accepted against supplier's credit.

The details pertaining to material dues to creditors are available on the website of our Company at <http://polycab.com/investor/>. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

**C. Material Developments**

For details of material developments since the last balance sheet date, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 504.

## GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, registrations and permits issued by relevant regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of such material approvals, licenses, registrations and permits obtained by our Company, our Subsidiaries and Joint Ventures, as applicable, for the purposes of undertaking their respective business. In view of such approvals, our Company can undertake the Offer and its current business activities. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Draft Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.*

*We have also set forth below (i) approvals or renewals applied for but not received; (ii) approvals expired and renewal yet to be applied for; and (iii) approvals required however yet to be obtained or applied for. For further details in connection with the applicable regulatory and legal framework, see “Regulations and Policies” on page 209.*

### **I. Approvals in relation to the Offer**

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 542.

### **II. Incorporation details of our Company**

1. Certificate of incorporation dated January 10, 1996 issued by the Registrar of Companies, Maharashtra at Mumbai to our Company.
2. Order dated February 10, 2014 approving the shift in the Registered Office from the ‘State of Maharashtra’ to the ‘State of Delhi’ issued by the Regional Director, Western Region, MCA, Mumbai to our Company.
3. Fresh certificate of incorporation dated August 29, 2018 issued by the RoC upon conversion of our Company into a public limited company.
4. Fresh certificate of incorporation dated October 13, 2018 issued by the RoC upon change of name of our Company from ‘Polycab Wires Limited’ to ‘Polycab India Limited’.

### **III. Approvals in relation to the establishments and business operations of our Company issued by authorities of the respective jurisdictions in which our facilities are located**

1. License issued by the designated authorities under the Factories Act to enable certain premises of our Company to be used as a factory.
2. Certificate of registration of establishment under the various shops and commercial establishments legislations to enable premises of our Company to be used as a godown or shop or establishment.
3. Authorization issued by various pollution control committees under the Hazardous Wastes (Management and Handling) Rules, 1989 to operate facilities for collection, storage, transport, disposal of hazardous waste.
4. Certificates issued by various pollution control boards under the Water Act, Air Act and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 framed under the Environment Act granting consent to discharge effluent, sewage and hazardous wastes and emissions in the atmosphere subject to compliance with stated terms and conditions.
5. Certificate of stability issued by competent person under the Factories Act certifying the structural stability of the building, engineering construction and plant and machinery.
6. No objection certificate issued by the various pollution control boards under the Water Act, Air Act and Environment Act granting consent to establish industrial plant and activities.
7. Licence to use the standard mark in respect of the products of our Company issued by the Bureau of Indian Standards under Bureau of Indian Standards (Certification) Regulation, 1988.
8. Certificates of registration issued by the designated authorities under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging labourers in various businesses and activities, including loading and unloading.
9. Plan approval letter issued by the Chief Inspector of Factories and Boilers under the Factories Act provisionally approving the factory plan.

10. Certificate of Importer-Exporter Code issued by the Office of Zonal Director General of Foreign Trade allotting Importer – Exporter Code.
11. Certificate of registration of establishment issued by Employees’ State Insurance Corporation under the Employee’s State Insurance Act, 1948.
12. Certificate of registration of establishment issued by the Office of the Sub-Regional Provident Fund Commissioner under the Employees’ Provident Fund and Miscellaneous Provision Act, 1952.
13. Certificate of registration issued by the Central Government for enrolment as existing tax payer for GST.
14. Certificate of conformity issued by First Quality Certification, Istanbul in respect of the products manufactured at the Nasik, Daman and Halol facilities certifying that the products placed in the EU 25 market comply with all the essential health and safety requirements that apply to it.
15. ISO 9001:2015 certification by DQS Incorporation in respect of implementing and maintaining quality management system at its facilities.
16. Certificate of verification stamping the weights and measures belonging to Daman and Halol facilities issued by Office of the Assistant Controller, Legal Metrology under the Legal Metrology Act, 2009.
17. Calibration certificate issued by calibration laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories in relation to instruments used at the Nasik, Daman and Halol facilities.
18. No objection certificate issued under the applicable fire law granting no objection in occupancy of premises for the facilities located in Nasik and Roorkee.
19. Rajachhitthi issued by the Town Planning and Valuation Department, Baroda granting permission to commence construction of the GI plant at the proposed location in Waghodia.

#### **IV. Approvals in relation to our Subsidiaries**

Approvals in addition to those listed above, specific to each of our Subsidiaries are set out below:

##### ***Approvals obtained by Dowells Cable Accessories Private Limited***

1. Certificate of incorporation dated December 1, 2015 issued by the Registrar of Companies, Maharashtra at Mumbai.
2. License issued by the Director Industrial Safety and Health, Gujarat State under the Factories Act to operate the facility as a factory.
3. No objection certificate issued by the Gujarat Pollution Control Board under the Water Act, Air Act and Environment Act granting consent to establish industrial plant and activities subject to compliance with stated terms and conditions.
4. Certificate of registration issued by the Assistant Labour Commissioner Office, Godhara under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging labourers in various businesses and activities, including loading and unloading, housekeeping, material handling and shifting and electrical-mechanical maintenance.
5. Plan approval letter issued by the Chief Inspector of Factories and Boilers under the Factories Act provisionally approving the factory plan.
6. Certificate of registration issued by the Central Government for enrolment as existing tax payer for GST.

##### ***Approvals obtained by Tirupati Reels Private Limited***

1. Certificate of incorporation dated January 21, 2015 issued by the RoC.
2. License issued by the Director Industrial Safety and Health, Gujarat State under the Factories Act to operate the facility as a factory.
3. Certificate issued by Gujarat Pollution Control Board under the Water Act, Air Act and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 framed under the Environment Act granting consent to discharge effluent, sewage and hazardous wastes and emissions in the atmosphere subject to compliance with various terms and conditions.

4. Certificate of registration issued by the Assistant Labour Commissioner Office, Godhara under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging labourers in various businesses and activities, including loading and unloading, housekeeping, material handling and shifting and electrical-mechanical maintenance.
5. Certificate of Importer-Exporter Code issued by the Foreign Trade Development Officer, Kandla allotting Importer – Exporter Code.
6. Certificate of registration issued by the Development Officer, Gandhidham for registration as an employer under the Gujarat state Tax on Professions, Trades, Callings and Employments Act, 1976.
7. Certificate of registration issued by the Central Government for enrolment as existing tax payer for GST.

***Approvals obtained by Polycab Wires Italy SRL***

1. Certificate of incorporation dated July 9, 2012 under the Italian Civil Code.
2. Certificate issued by the Italian tax authority attributing the Italian fiscal code and the VAT number.

**V. Approvals in relation to our Joint Ventures**

***Approvals obtained by Ryker Base Private Limited***

1. Certificate of incorporation dated July 15, 2016 issued by RoC.
2. Certificate issued by Gujarat Pollution Control Board under the Water Act, Air Act and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 framed under the Environment Act granting consent to discharge effluent, sewage and hazardous wastes and emissions in the atmosphere subject to compliance with various terms and conditions subject to compliance with stated terms and conditions.
3. Certificate of registration of establishment issued by the Employees Provident Fund Organization under the Employees' Provident Fund and Miscellaneous Provision Act, 1952.
4. Approval to the drawing for the electrical installation issued by the Office of the Chief Electrical Inspector, Gandhinagar.
5. No objection certificate issued by the Gujarat Pollution Control Board under the Water Act, Air Act and Environment Act granting consent to establish industrial plant and activities subject to compliance with stated terms and conditions.

***Approvals obtained by Techno Electromech Private Limited***

1. Certificate of incorporation dated January 25, 2011 issued by Registrar of Companies, Gujarat.
2. Certificate of registration issued by the Assistant Labour Commissioner Office, Baroda under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging labourers.
3. Certificate of registration of establishment issued by the Assistant PF Commissioner Regional Officer Vadodara under the Employees' Provident Fund and Miscellaneous Provision Act, 1952.
4. Certificate of registration issued by the Central Government for enrolment as existing tax payer for GST.
5. Certificate of registration of establishment issued by Employees' State Insurance Corporation under the Employee's State Insurance Act, 1948.
6. Provisional no objection certificate issued under the Gujarat Fire Prevention and Life Safety Measures Act, 2013 granting no objection in occupancy of premises.

**VI. Approvals or renewals applied for but not received by our Company**

1. Application for issue of no objection certificate pending before the Central Ground Water Authority for grant of permission to abstract ground water for industrial use in respect of certain facilities located in Gujarat.
2. Application for licence to use the standard mark in respect of the products of our Company issued by the Bureau of Indian Standards under Bureau of Indian Standards (Certification) Regulation, 1988 at its facilities located in Halol.

3. Application for no objection certificate issued by the various pollution control boards under the Water Act, Air Act and Environment Act granting consent to establish industrial plant and activities at its facilities located in Daman and Waghodia.
4. Application to commence manufacturing of galvanized steel wire at its facility in Waghodia pending before the Secretariat for Industrial Assistance.
5. Application for grant of provisional no objection certificate issued under the Gujarat Fire Prevention and Life Safety Measures Act, 2013 granting no objection in occupancy of premises for its facilities located in Daman and Halol.

**VII. Approvals or renewals applied for but not received by our Subsidiaries and Joint Ventures**

1. Application for proposed storage of LNG in pressure vessels in the bottling plant issued by the Petroleum and Explosives Safety Organization for storage of petroleum under the Static & Mobile Pressure Vessels (Unfired) Rules, 2016 in respect of the Ryker Base Private Limited.
2. Application for permission to construct, extend or take into use any building as a factory under the Factories Act in respect of the Ryker Base Private Limited.
3. Application for grant of forest license for setting up of a wood based industry in respect of Tirupati Reels Private Limited.
4. Application for certificate of registration under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging contract labourers in respect of Ryker Base Private Limited.
6. Application for grant of provisional no objection certificate issued under the Gujarat Fire Prevention and Safety Life Measures Act, 2013 granting no objection in occupancy of premises for Ryker Base Private Limited.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Fresh Issue has been authorised by our Board of Directors and our Shareholders, pursuant to their resolutions, passed at their respective meetings, each dated September 20, 2018.

The following table sets forth details of the Offer as has been authorised by the Selling Shareholders:

<i>Sr. No.</i>	<i>Selling Shareholders</i>	<i>Maximum number of Offered Shares</i>	<i>Date of Consent Letter</i>
1.	IFC	Up to 10,588,223 Offered Shares	October 29, 2018
2.	Inder T. Jaisinghani	Up to 2,843,000 Offered Shares	October 30, 2018
3.	Ajay T. Jaisinghani	Up to 2,819,000 Offered Shares	October 30, 2018
4.	Ramesh T. Jaisinghani	Up to 2,819,000 Offered Shares	October 30, 2018
5.	Girdhari T. Jaisinghani	Up to 2,829,000 Offered Shares	October 30, 2018
6.	Bharat A. Jaisinghani	Up to 720,300 Offered Shares	October 30, 2018
7.	Nikhil R. Jaisinghani	Up to 720,300 Offered Shares	October 30, 2018
8.	Anil H. Hariani	Up to 698,000 Offered Shares	October 30, 2018
9.	Ramakrishnan Ramamurthi	Up to 850,000 Offered Shares	October 30, 2018
	<b>Total</b>		<b>Up to 24,886,823 Offered Shares</b>

The Offered Shares are free from any lien, encumbrance, transfer restrictions or third party rights.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or other Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group, our Group Companies, the persons in control of our Company and the Selling Shareholders have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI or any other governmental authority.

The companies with which our Promoters or our Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors or entities with which our Directors are associated, are associated with the securities market in any manner including securities market related business.

There has been no action initiated by SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

The listing of any securities of our Company, our Subsidiaries and our Joint Ventures has never been refused at any time by any of the Stock Exchanges in India or abroad.

### Prohibition with respect to wilful defaulters

Our Company, our Promoters, relatives (as defined under Companies Act, 2013) of our Promoters, our Directors, our Group Companies and the Selling Shareholders have not been identified as Wilful Defaulters.

### Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations as set out below:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each) of which not more than 50% of net tangible assets are monetary assets;
- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated consolidated and unconsolidated basis, during the three most profitable years out of the immediately preceding five years;
- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);



- The aggregate size of the proposed Offer and all previous issues made in the same Fiscal, in terms of Offer size, does not exceed five times the pre-Offer net worth as per the balance sheet of our Company as per the restated consolidated and unconsolidated financial statements as at March 31, 2018; and
- Our Company was converted into a public limited company, and consequently, a fresh certificate of incorporation dated August 29, 2018 was issued by the RoC recording the change of our Company's name from 'Polycab Wires Private Limited' to 'Polycab Wires Limited'. Thereafter, the name of our Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited', and a fresh certificate of incorporation dated October 13, 2018 was issued by the RoC. However, there has not been any corresponding change in the business activities of our Company.

The following table sets forth details of our Company's pre-tax operating profit, as restated, net worth, net tangible assets, monetary assets and monetary assets as a percentage of the net tangible assets derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last five Fiscals:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2018		Fiscal 2017		Fiscal 2016		Fiscal 2015		Fiscal 2014	
	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated
	As per IND AS		As per IND AS		As per IND AS		As per IGAAP		As per IGAAP	
Net tangible assets <sup>1</sup>	23,466.90	23,505.28	19,879.99	19,905.64	17,724.15	17,789.21	16,202.57	16,251.43	13,635.40	14,811.26
Pre-tax Operating Profit, as stated <sup>2</sup> & <sup>3</sup>	6,038.18	6,079.73	3,497.43	3,517.35	3,809.88	3,796.59	3,365.64	3,441.72	2,158.54	2,282.72
Net Worth <sup>4</sup> & <sup>5</sup>	23,493.94	23,491.79	19,940.24	19,935.43	17,790.74	17,827.88	16,253.46	16,302.33	13,647.78	14,825.12
Monetary assets <sup>6</sup>	79.60	94.42	252.31	272.79	426.58	484.97	208.56	245.67	130.86	370.98
Monetary assets as a percentage of the net tangible assets	0.34%	0.40%	1.27%	1.37%	2.41%	2.73%	1.29%	1.51%	0.96%	2.50%

Source: Restated Financial Statements

1. "Net tangible assets" means sum of all net assets of the Company, excluding intangible assets, preliminary expenses and Goodwill as defined in Ind AS 38 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) Amendment Rules, 2016.
2. Pre-Tax Operating Profit is defined as Restated Profit before Tax excluding Restated Other Income and including Restated Finance cost.
3. Fiscals 2018, 2017 and 2016 are the three most profitable years out of the immediately preceding five Fiscals in terms of our restated consolidated summary. The average consolidated pre-tax operating profit for these fiscal years is ₹ 4,464.56 million.
4. "Net worth" means the aggregate of paid up share capital and restated reserves and surplus (as defined under (2) below), less preliminary expenses included in restated summary of other assets in the respective years.
5. "Reserves and Surplus" means restated reserves and surplus ( includes capital reserve, securities premium, general reserve, foreign currency translation reserve and net surplus in statement of profit and loss)
6. "Monetary Assets" comprise of cash on hand, balances with banks on current accounts, margin money deposits and term deposits with maturity less than 12 months.

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 Offered Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded / unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable, forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) and Regulation 4(5)(a) of the SEBI ICDR Regulations, to the extent applicable.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, AND EDELWEISS FINANCIAL SERVICES LIMITED, AND THE BOOK RUNNING LEAD MANAGERS, BEING IIFL HOLDINGS LIMITED AND YES SECURITIES (INDIA) LIMITED (COLLECTIVELY, THE "LEAD MANAGERS") HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (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 THIS DRAFT RED HERRING PROSPECTUS, AND SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS AND UNDERTAKINGS SPECIFICALLY CONFIRMED BY EACH OF THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AS A SELLING SHAREHOLDER AND THEIR RESPECTIVE PORTION OF THE OFFERED SHARES, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 30, 2018 WHICH READS AS FOLLOWS:**

**WE, THE 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 DOCUMENTS IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED OCTOBER 30, 2018 ("DRHP") 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 SHAREHOLDERS, WE CONFIRM THAT:**
  - (A) THE DRHP FILED WITH THE 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 THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - (C) THE DISCLOSURES MADE IN THE DRHP 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 (THE “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. COMPLIED WITH AND NOTED FOR COMPLIANCE.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP. COMPLIED WITH.
6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP. COMPLIED WITH AND NOTED FOR COMPLIANCE.
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 AUDITORS’ CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS’ CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE 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 THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE. ALL MONEYS RECEIVED OUT OF THE OFFER SHALL BE CREDITED / TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
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 AS IN TERMS OF SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES TO BE ISSUED AND TRANSFERRED IN THE OFFER ARE AND WILL BE ISSUED AND TRANSFERRED IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE 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 THIS DRHP:

- (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, PROMOTERS' EXPERIENCE, ETC.
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.
16. WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 FOR FISCALS 2014 AND 2015, OR INDIAN ACCOUNTING STANDARD 24 FOR THREE MONTHS PERIOD ENDED JUNE 30, 2018 AND FISCALS 2018, 2017 AND 2016, AS APPLICABLE, AS CERTIFIED BY KAILASH CHAND JAIN & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 112318W).
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 our Company and any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013, or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the Lead Managers, any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

#### **Caution - Disclaimer from our Company, the Selling Shareholders, our Directors and the Lead Managers**

Our Company, the Selling Shareholders, our Directors and the Lead Managers 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 Company's instance and anyone placing reliance on any other source of information, including our Company's website www.polycab.com or the respective websites of our Subsidiaries or our Joint Ventures or our Group Companies would be doing so at his or her own risk. The Promoter Selling Shareholders, the Promoter Group Selling Shareholders and Individual Selling Shareholders accept/undertake no responsibility for any statements made or undertakings provided other than those specifically undertaken or confirmed by such Selling Shareholder only in relation to itself and its respective Offered Shares. The Investor Selling Shareholder and its respective directors, affiliates, associates and officers accept/undertake no responsibility for any statements made or undertakings provided other than those specifically undertaken or confirmed by it only in relation to itself and its respective Offered Shares.

The Lead Managers accept no responsibility for statements made in this Draft Red Herring Prospectus, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

None among our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, 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 the Equity Shares.

Each of the Lead Managers 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 Lead Managers 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 Shareholders 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 Lead Managers, 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 Shareholders 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.

### **Disclaimer in respect of Jurisdiction**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India), public financial institutions as specified in Section 2(72) of the Companies Act, 2013, systemically important non-banking financial company as defined under Regulation 2(1)(z1a) of the SEBI ICDR Regulations, other QIBs permitted under applicable law and permitted Non-Residents including Eligible NRIs and FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase Equity Shares. Any person in 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) in Mumbai only.

Neither the delivery of the Red Herring Prospectus nor any sale thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or any of the Selling Shareholders since the date thereof or that the information contained therein is correct as of any time subsequent to such date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 (“**Securities Act**”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States only in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) in the United States only to “qualified institutional buyers” (as defined in Rule 144A (“**Rule 144A**”) under the Securities Act), pursuant to the private placement exemption set out in Rule 144A, Section 4(a) of the Securities Act, or another available exemption from the registration requirements of the Securities Act.

**NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THE RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.**

Each purchaser of any Equity Shares in India shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- Represent and warrant to our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act.
- Represent and warrant to our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- Represent and warrant to our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorised in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- Acknowledge that our Company, the Selling Shareholders, the Lead Managers, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.
- Agree to indemnify and hold our Company, the Selling Shareholders, the Lead Managers and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Offered Shares.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **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 the RoC filing.

#### **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 RoC filing.

#### **Filing**

The Lead Managers have also made an online filing of this Draft Red Herring Prospectus through SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular number (SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018. Further, a copy of this Draft Red Herring Prospectus has also been filed with SEBI at Corporate Finance Department, Plot No. C4-A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at its office situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019.

#### **Listing**

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus as required under applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Each Selling Shareholder will be severally liable to reimburse our Company for such repayment of monies, on its behalf, with respect

to its respective portion of the Offered Shares. Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest on such refunds will be reimbursed by the Selling Shareholders in proportion to their respective portion of the Offered Shares. For the avoidance of doubt, a Selling Shareholder shall not be responsible to pay interest in this regard, including, for any delay, except to the extent that such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and to the extent of its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid / Offer Closing Date or within such other period as may be prescribed. Further, the Selling Shareholders, severally and not jointly, specifically confirm that they shall extend such reasonable cooperation as may be required and requested by our Company, to the extent such support and cooperation is required from such Selling Shareholder for the completion of the necessary formalities for listing and commencement of trading of their respective portion of the Offered Shares on the Stock Exchanges within six Working Days of the Bid Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid / Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from the Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Except for listing fees and expense on account of corporate advertisements of the Company, which shall be solely borne by our Company, all expenses in relation to the Offer will be shared, upon successful completion of the Offer, amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares being offered and sold by them respectively, pursuant to the Offer. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be solely borne by our Company. Further, for ease of operations, expenses of the Selling Shareholders may at the outset be borne by our Company and each Selling Shareholder shall reimburse our Company for expenses incurred by our Company on behalf of such Selling Shareholder, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and agreed amongst the Company and the Selling Shareholders.



## Price information of past issues handled by the Lead Managers

### A. Kotak Mahindra Capital Company Limited

The following table sets forth details of the price information of past issues handled by Kotak Mahindra Capital Company Limited:

**Table 1: Price information of past issues handled**

Sr. No.	Issue name	Issue size (₹ mn)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % 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.	CreditAccess Grameen Limited	11,311.88	422	23-Aug-18	390.00	-21.16%[-3.80%]	-	-
2.	HDFC Asset Management Company Limited	28,003.31	1,100	6-Aug-18	1,726.25	+58.35%[+1.17%]	-	-
3.	TCNS Clothing Co. Limited	11,251.25	716	30-Jul-18	716.00	-9.29%[+3.70%]	-19.74%[-11.39%]	-
4.	Varroc Engineering Limited <sup>(1)</sup>	19,549.61	967	6-Jul-18	1,015.00	+1.62%[+5.46%]	-7.29%[+0.79%]	-
5.	IndoStar Capital Finance Limited	18,440.00	572	21-May-18	600.00	-0.96%[+1.84%]	-16.28%[+9.07%]	-
6.	Lemon Tree Hotels Limited	10,386.85	56	9-Apr-18	61.60	+30.18%[+3.26%]	+29.91%[+3.79%]	+19.46%[-0.61%]
7.	Bandhan Bank Limited	44,730.19	375	27-Mar-18	499.00	+31.81%[+3.79%]	+42.96[+6.26%]	+51.89%[+9.42%]
8.	Aster DM Healthcare Limited	9,801.36	190	26-Feb-18	183.00	-13.66%[-3.77%]	-4.97%[+0.21%]	-8.16%[+9.21%]
9.	The New India Assurance Company Limited <sup>(2)</sup>	95,858.22	800	13-Nov-17	750.00	-27.91%[+0.15%]	-12.93%[+2.25%]	-13.06%[+5.69%]
10.	Mahindra Logistics Limited <sup>(3)</sup>	8,288.84	429	10-Nov-17	429.00	+3.12%[-0.54%]	+9.48%[+1.50%]	+21.00%[+3.84%]

Source: [www.nseindia.com](http://www.nseindia.com)

#### Notes:

1. In Varroc Engineering Limited, the issue price to employees was ₹919 after a discount of ₹48 per equity share.
2. In The New India Assurance Company Limited, the issue price to retail individual bidders and employees was ₹770 per equity share after a discount of ₹30 per equity share.
3. In Mahindra Logistics Limited, the issue price to employees was ₹387 per equity share after a discount of ₹42 per equity share. The Anchor Investor Issue price was ₹429 per equity share.
4. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
5. The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.
6. Nifty is considered as the benchmark index.

7. *Restricted to last 10 issues.*

**Table 2: Summary statement of disclosure**

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ mn)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-2019	6	98,942.90	-	-	3	1	1	1	-	-	-	-	-	1
2017-2018	9	384,510.39	-	1	5	-	1	2	-	-	5	2	1	1
2016-2017	11	135,676.30	-	-	4	2	1	4	-	1	2	5	2	1

Notes:

(a) *The information is as on the date of this Draft Red Herring Prospectus.*

(b) *The information for each of the financial years is based on issues listed during such financial year.*

**B. Axis Capital Limited**

The following table sets forth details of the price information of past issues handled by Axis Capital Limited:

**Table 1: Price information of past issues handled**

Sr. No.	Issue name	Issue size (₹ mn)	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.	Ircon International Limited	4,667.03	475.00*	28-Sep-18	412.00	-26.62%, [-6.22%]	-	-
2.	HDFC Asset Management Company Limited	28,003.31	1,100	06-Aug-18	1,726.25	57.43%, [+1.17%]	-	-
3.	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+19.59%, [+4.96%]	+15.41%, [+4.36%]	-4.20%, [+7.04%]
4.	Hindustan Aeronautics Limited	41,131.33	1,215.00 <sup>1</sup>	28-Mar-18	1,152.00	-6.96%, [4.98%]	-25.84%, [+6.41%]	-28.24%, [+8.44%]
5.	Bandhan Bank Limited	44,730.19	375.00	27-Mar-18	499.00	+31.81%, [3.79%]	+42.53%, [+5.68%]	+46.07%, [+7.69%]
6.	Aster DM Healthcare Limited	9801.00	190.00	26-Feb-18	183.00	-13.66%, [-3.77%]	-5.39%, [+1.00%]	-8.16%, [+9.21%]
7.	Khadim India Limited	5,430.57	750.00	14-Nov-17	730.00	-10.40%, [+0.06%]	-6.47%, [+3.47%]	+10.21%, [+6.09%]
8.	The New India Assurance Company Limited	18,933.96	800 <sup>s</sup>	13-Nov-17	750.00	-27.91%, [+0.15%]	-7.81%, [+3.08%]	-13.06%, [+5.69%]
9.	Mahindra Logistics Limited	8,288.84	429 <sup>a</sup>	10-Nov-17	429.00	+2.49%, [0.00%]	+9.48%, [+1.50%]	+21.00%, [+3.84%]

Sr. No.	Issue name	Issue size (₹ mn)	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
10	Reliance Nippon Life Asset Management Limited	15,422.40	252	06-Nov-17	295.90	+3.61%[-3.19%]	+8.12%, [+2.05%]	-4.21, [+1.59%]

Source: www.nseindia.com

\* Offer Price was 465.00 per equity share to Retail Individual Bidders and Eligible Employees

^ Offer Price was ₹ 387.00 per equity share to Eligible Employees

\$ Offer Price was ₹ 770.00 per equity share to Retail Individual Bidders and Eligible Employees

! Offer Price was ₹1,190.00 per equity share to Retail Individual Bidders and Eligible Employees

Notes:

- Issue Size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
- 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.

**Table 2: Summary statement of disclosure**

Financial Year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days 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%
2018-2019*	3	37,795.14	-	1	-	1	-	1	-	-	1	-	-	-
2017-2018	18	492,662.22	-	1	9	1	3	4	-	2	7	3	3	3
2016-2017	10	111,252.85	-	-	1	4	2	3	-	-	-	7	1	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.

**C. Price information of past issues handled by Citigroup Global Markets India Private Limited**

*Price information of past issues handled by handled by Citigroup Global Markets India Private Limited:*

Sr. No.	Issue Name	Issue size (in ₹ Mn)	Issue price (₹)	Listing date	Opening price on listing date	+/- % 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.	Aavas Financiers Limited	16,403.2	821.00	October 8, 2018	750.00	NA	NA	NA
2.	HDFC Asset Management Company Limited	28,003.3	1,100.00	August 6, 2018	1,726.25	+58.04% [+1.17%]	NA	NA
3.	TCNS Clothing Co. Limited	11,251.3	716.00	July 30, 2018	716.00	(-)9.29% [+3.70%]	(-)19.74% [(-)11.39%]	NA
4.	Varroc Engineering Limited	19,549.6	967.00	July 6, 2018	1,015.00	+1.62% [+5.46%]	(-)7.29% [+0.79%]	NA
5.	ICICI Securities Limited	35,148.5	520.00	April 4, 2018	435.00	(-)27.93% [+5.44%]	(-)38.63% [+5.64%]	(-)44.39% [+7.92%]
6.	General Insurance Corporation of India	112,568.3	912.00	October 25, 2017	850.00	(-)12.92% [+0.52%]	(-)13.95% [+6.52%]	(-)20.78% [+2.61%]
7.	SBI Life Insurance Company Limited	83,887.3	700.00	October 3, 2017	735.00	(-)7.56% [+5.89%]	(-)0.66% [+6.81%]	(-)3.11% [+2.58%]
8.	AU Small Finance Bank Limited	19,125.1	358.00	July 10, 2017	530.00	+58.76% [+2.12%]	+71.80% [+2.14%]	+95.38% [+8.06%]
9.	Eris Lifesciences Limited	17,404.9	603.00	June 29, 2017	611.00	+0.87% [+5.37%]	(-)5.69% [+3.87%]	+27.19% [+10.40%]
10.	Tejas Networks Limited	7,766.9	257.00	June 27, 2017	257.00	+28.04% [+5.35%]	+23.27% [+4.76%]	+51.65% [+10.32%]

Source: [www.nseindia.com](http://www.nseindia.com)

**Notes:**

1. Nifty is considered as the benchmark index.
2. Since the listing date of Varroc Engineering Limited was July 6, 2018, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.
3. Since the listing date of TCNS Clothing Co. Limited was July 30, 2018, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.
4. Since the listing date of HDFC Asset Management Company Limited was August 06, 2018, information relating to closing prices and benchmark index as on 90th / 180th calendar day from listing date is not available.

5. *Since the listing date of Aavas Financiers Limited was October 8, 2018, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available.*
6. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
7. *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 closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered.*

1. **Summary statement of price information of past issues handled by Citigroup Global Markets India Private Limited**

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ in Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19	5	110,355.9	-	1	1	1	-	1	-	1	-	-	-	-
2017-18	6	263,252.1	-	-	3	1	1	1	-	-	3	2	1	-
2016-17	5	59,804.8	-	-	1	-	1	3	-	-	1	3	1	-

**Notes:**

- (a) *Since the listing date of Varroc Engineering Limited was July 6, 2018, 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 TCNS Clothing Co. Limited was July 30, 2018, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.*
- (c) *Since the listing date of HDFC Asset Management Company Limited was August 06, 2018, information relating to closing prices and benchmark index as on 90th / 180th calendar day from listing date is not available.*
- (d) *Since the listing date of Aavas Financiers Limited was October 8, 2018, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available.*

**D. Edelweiss Financial Services Limited**

The following table sets forth details of the price information of past issues handled by Edelweiss Financial Services Limited:

**Table 1: Price information of past issues handled**

Sr. No.	Issue Name	Issue size (₹ mn)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Aavas Financiers Limited	16,403.17	821.00	October 8, 2018	750.00	Not Applicable	Not Applicable	Not Applicable
2.	Fine Organic Industries Limited	6,001.69	783.00	July 2, 2018	815.00	5.72% [6.56%]	36.58% [3.29%]	Not Applicable
3.	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	-37.26% [5.22%]	-46.17% [8.69%]
4.	Galaxy Surfactants Limited	9,370.88	1,480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	-14.68% [7.66%]
5.	Amber Enterprises India Limited	6,000.00	859.00 <sup>^^</sup>	January 30, 2018	1,175.00	27.15% [-5.04%]	32.56% [-2.81%]	10.68% [2.44%]
6.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.27% [-2.83%]	-5.20% [4.13%]
7.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	-28.51% [4.93%]
8.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	74.66% [5.04%]
9.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	8.12% [2.05%]	-4.21% [1.59%]
10.	Prataap Snacks Limited	4,815.98	938.00 <sup>^^</sup>	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	40.99% [3.27%]

Source: [www.nseindia.com](http://www.nseindia.com)

<sup>^^</sup> Amber Enterprises India Limited - employee discount of ₹ 85 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹ 859 per equity share

<sup>^^</sup> Prataap Snacks Limited - employee discount of ₹ 90 per equity share to the issue price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the issue price of ₹ 938 per equity share

**Notes**

1. Based on date of listing.
2. % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day.

3. Wherever 30<sup>th</sup>/90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
4. The Nifty 50 index is considered as the benchmark index
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

**Table 2: Summary statement of disclosure**

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19*	3	57,206.02	-	1	-	-	-	1	-	1	-	-	-	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	1	3	3	1	3
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

The information is as on the date of the document

1. Based on date of listing.
2. Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
3. The Nifty 50 index is considered as the Benchmark Index.

\* For the financial year 2018-19 – 3 issues have been completed. 2 issues have completed 90 days and 1 issue has completed 180 days.

**E. Price information of past issues handled by IIFL Holdings Limited:**

The following table sets forth details of the price information of past issues handled by IIFL Holdings Limited:

**Table 1: Price information of past issues handled:**

Sr. No.	Issue Name	Issue Size (in ₹ Mn)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % 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	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.00	+3.3%, [+4.6%]	+19.0%, [+6.7%]	+15.4%, [+2.6%]

Sr. No.	Issue Name	Issue Size (in ₹ Mn)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % 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
2	Indian Energy Exchange Limited	10,007.26	1,650.00	October 23, 2017	1,500.00	-5.6%, [+1.9%]	-1.8%, [+7.4%]	-0.7%, [+4.1%]
3	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	+1.2%, [-3.9%]	+5.9%, [+2.9%]	-4.2%, [+1.6%]
4	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	+31.5%, [+1.2%]	+49.0%, [+3.2%]	+71.6%, [+5.2%]
5	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-4.2%, [+4.2%]	-11.7%, [+1.1%]	-29.3%, [+5.9%]
6	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	+4.1%, [+4.4%]	+6.9%, [-1.3%]	-5.2%, [+4.7%]
7	ICICI Securities Limited	35,148.49	520.00	April 04, 2018	435.00	-28.9%, [+3.6%]	-38.6%, [+4.4%]	-46.2%, [+7.5%]
8	Varroc Engineering Limited	19,551.75	967.00	July 06, 2018	1,015.00	+1.6%, [+5.7%]	-13.9%, [-1.4%]	NA
9	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+52.9%, [+1.0%]	NA	NA
10	Credit Access Grameen Limited	11,311.88	422.00	August 23, 2018	390.00	-21.2%, [-3.8%]	NA	NA

Source: [www.nseindia.com](http://www.nseindia.com)

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30<sup>th</sup> /90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable.



**Table 2: Summary statement of price information of past issues handled:**

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ Mn)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2017-18	9	1,98,722.66	-	-	3	1	2	3	-	1	3	2	1	2
2018-19	4	94,015.43	-	1	1	1	-	1	-	1	-	-	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

**F. Price information of past issues handled by YES Securities:**

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Garden Reach Shipbuilders & Engineers Limited	3,435.89	118.00	October 10, 2018	102.50	-	-	-
2	Lemon Tree Hotels Limited	10,386.85	56.00	April 9, 2018	61.60	+30.18% - change in closing price; [+3.49% - change in closing benchmark]	+30.09% - change in closing price; [+4.56% - change in closing benchmark]	+21.79% - change in closing price; [-0.30% - change in closing benchmark]
3	Bharat Dynamics Limited	9,609.44	428.00	March 23, 2018	370.00	-4.65% - change in closing price; [+5.87% - change in closing benchmark]	-10.69% - change in closing price; [+7.43% - change in closing benchmark]	-22.14% - change in closing price; [+12.37% - change in closing benchmark]
4	Aster DM Healthcare Limited	9,801.37	190.00	February 26, 2018	183.00	-10.63% - change in closing price; [-4.43% - change in closing benchmark]	-5.39% - change in closing price; [+1.00% - change in closing benchmark]	-8.18% - change in closing price; [+10.48% - change in closing benchmark]
5	Future Supply Chain	6,496.95	664.00	December 18, 2017	664.00	+4.09% - change in closing price;	+6.27% - change in closing price;	-1.29% - change in closing price;

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
	Solutions Limited					[+3.85% - change in closing benchmark]	[-2.83% - change in closing benchmark]	[+3.96% - change in closing benchmark]
6	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]	-11.69% - change in closing price; [+5.69% - change in closing benchmark]
7	Reliance Nippon Life Asset Management Company Limited	15,422.40	252.00	November 06, 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]	-1.65% - change in closing price; [+2.52% - change in closing benchmark]
8	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]	+92.73% - change in closing price; [-0.58% - change in closing benchmark]
9	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]
10	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]

**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.
5. Restricted to last 10 issues

**Summary statement of price information of past issues handled by YES Securities:**

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-2019	2	13,822.74	-	-	-	-	1	-	-	-	-	-	-	1
2017-2018	9	161,206.66	-	1	4	2	-	2	-	-	6	2	1	-
2016-2017	2	15,125.00	-	-	1	1	-	-	-	-	-	1	-	1

**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.*

The following table sets forth details of the track record of the Lead Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the Lead Managers:

<b>Name of the Lead Managers</b>	<b>Website</b>
Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
Axis Capital Limited	www.axiscapital.co.in
Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Edelweiss Financial Services Limited	www.edelweissfin.com
IIFL Holdings Limited	www.iiflcap.com
YES Securities (India) Limited	www.yesinvest.in

### **Consents**

Consents in writing of the Selling Shareholders, Directors, our Company Secretary and Compliance Officer, legal counsel to our Company as to Indian law, legal counsel to the Lead Managers as to Indian law, legal counsel to IFC as to Indian law and international legal counsel to the Lead Managers, bankers to our Company, the Lead Managers, and Registrar to the Offer have been obtained and consent in writing of the Syndicate Members and the Bankers to the Offer 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 the Companies Act, 2013. Such consents received prior to the filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

### **Experts**

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

Our Company has received written consent dated October 30, 2018 from the Statutory Auditors namely, S R B C & CO LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations 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 their capacity as a Statutory Auditor and in respect of their (i) examination reports, each dated October 24, 2018 on our Restated Financial Statements; and (ii) their report dated October 26, 2018 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consents from the following Chartered Engineers to include their respective names in this Draft Red Herring Prospectus as an “expert” as defined under the Companies Act, 2013, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus:

- i. Ashok Kashinath Dongre dated September 25, 2018 in relation to our facilities located in Nashik.
- ii. Anand Kumar Jain dated September 25, 2018 in relation to our facilities located in Roorkee.
- iii. Palande Vinod A dated September 7, 2018 in relation to the facilities of Dowells Cable located at Halol, dated September 7, 2018 in relation to the facilities of Techno located at Channi, dated September 7, 2018 in relation to the facilities of Ryker located at Waghodia, dated September 8, 2018 in relation to cables and wires business capacity and capacity utilization at the manufacturing facilities at Halol and Daman, and dated September 22, 2018 in relation to the seven Catenary Continuous Vulcanizing lines within the manufacturing facilities located at Halol and Daman.
- iv. Rajesh T. Panjwani dated August 25, 2018 in relation to the facilities of Tirupati Reels located at Padana, Kutch.

### **Offer Expenses**

The expenses of the Offer include, among others, underwriting and management fees, brokerage and selling commission, bidding charges, printing and distribution expenses, legal fees of the counsels, advertising and marketing expenses, registrar and depository fees. For further details of Offer expenses, see “*Objects of the Offer*” on page 114.

### **Fees Payable to the Syndicate**

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available for inspection at our Registered Office / Corporate Office from 10 am to 5 pm on Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date. For further details of Offer expenses, see “*Objects of the Offer*” beginning on page 114.

### **Commission payable to SCSBs, Registered Brokers, RTAs and CDPs**

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see “*Objects of the Offer*” beginning on page 114.

### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Offer including for processing of applications, 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 will be available for inspection at our Registered Office / Corporate Office from 10 am to 5 pm on Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

### **Particulars regarding public or rights issues by our Company during the last five years**

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

### **Previous issues of securities otherwise than for cash**

Except as disclosed in “*Capital Structure*” beginning on page 97, our Company has not issued any securities for consideration otherwise than for cash.

### **Commission or Brokerage paid on previous issues of the Equity Shares**

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since the incorporation of our Company.

### **Performance vis-à-vis objects – Public / rights issue of our Company and / or listed Group Companies and Subsidiaries**

Our Company has not undertaken any public issue or rights issue since incorporation. Accordingly, the requirement to disclose shortfall in terms of performance *vis-a-vis* objects for any of the previous issues does not apply to our Company.

None of our Subsidiaries and our Group Companies are listed on any stock exchange. Accordingly, the requirement to disclose shortfall in terms of performance *vis-a-vis* objects for any of the previous issues does not apply to our Subsidiaries and our Group Companies.

### **Previous capital issue during the previous three years by listed Group Companies and Subsidiaries**

None of our Subsidiaries and our Group Companies are listed on any stock exchange.

### **Outstanding Debentures or Bonds**

Our Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

### **Outstanding Preference Shares or convertible instruments issued by our Company**

Other than the options granted under the ESOP Plan 2018, our Company does not have any outstanding preference shares or other convertible instruments, as on date of this Draft Red Herring Prospectus.

### **Partly Paid-up Shares**

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

### **Stock Market Data of Equity Shares**

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly no stock market data is available for the Equity shares.

### **Redressal of Investor Grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of commencement of trading of the Equity Shares on the Stock Exchanges to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the

Bidder, number of the Offered Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and the ASBA Account number in which the amount equivalent to the Bid Amount is blocked (in case of ASBA Bidder) and the name and address of the relevant Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor (in case of Anchor Investor). Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Our Company has not received investor complaints during the period of three years preceding the date of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 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 a Stakeholders' Relationship Committee comprising (i) Pradeep N. Poddar (Chairman); (ii) Hiroo Mirchandani (Member); and (iii) Shyam Lal Bajaj (Member), which is responsible for *inter alia* redressal of grievances of the security holders of our Company. For details, see "*Our Management*" beginning on page 226.

Our Company has also appointed Sai Subramaniam Narayana, Company Secretary of our Company, as the Compliance Office for the Offer and may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

**Sai Subramaniam Narayana**

Polycab House  
771, Mogul Lane  
Mahim (West)  
Mumbai 400 016  
Tel: +91 22 2432 7074  
Fax: +91 22 2432 7075  
E-mail: investor.relations@polycab.com

**Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management**

There are no listed companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956.

**Changes in Auditors**

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

**Capitalisation of Reserves or Profits**

Our Company has not capitalised its reserves or profits at any time during the last five years, preceding the date of this Draft Red Herring Prospectus.

**Revaluation of Assets**

There has been no revaluation of assets by our Company during the last five years, preceding the date of this Draft Red Herring Prospectus.

## SECTION VII: OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents / certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and / or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges and such governmental, regulatory and /or statutory authority any other authorities while granting its approval for the Offer.

#### The Offer

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

For details in relation to Offer expenses, see “*Objects of the Offer*” and “*Other Regulatory and Statutory Disclosures*” beginning on pages 114 and 542, respectively.

#### Ranking of Equity Shares

The Equity Shares being offered and allotted in the Offer, shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For further details, see “*Main Provisions of Articles of Association*” beginning on page 616.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association, Articles of Association and provisions of the SEBI Listing Regulations and any guidelines or directives that may be issued by the Government of India in this respect. In relation to the offer for sale, the dividend for the entire year shall be payable to the transferees. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 255 and 616, respectively.

#### Face Value and Offer Price

The face value of each Equity Share is ₹ 10 each and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers and will be advertised in [●] editions of the English national daily newspaper [●] and [●] editions of the Hindi national daily newspaper [●], Hindi also being the regional language in the place where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid / Offer Opening Date 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 websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of Equity Shares.

#### Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws; and
- Such other rights, as may be available to a Shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and / or consolidation / splitting, see “*Main Provisions of Articles of Association*” beginning on page 616.

### **Market Lot and Trading Lot**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. Trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into with, the respective Depositories:

- Tripartite agreement dated October 20, 2018 between NSDL, our Company and the Registrar to the Offer; and
- Tripartite agreement dated October 24, 2018 between CDSL, our Company and Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

For details of Allocation and Allotment, see “*Offer Procedure*” on page 573.

### **Joint Holders**

Subject to the Articles of Association, where two or more persons are registered as the holders of any of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Offer is with the competent courts / authorities in Mumbai, India.

### **Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along 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 Offered Shares Allotted, if any, shall vest. A nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale / transfer of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. 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 nomination by giving a notice of such cancellation. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by our Board of Directors, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors 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 of Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.



Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

### Withdrawal of the Offer

Our Company and / or the Selling Shareholders, severally and not jointly, in consultation with the Lead Managers, reserve the right not to proceed with the Fresh Issue, and each Selling Shareholder, severally and not jointly, reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their respective portion of the Offered Shares, in whole or in part thereof, at any time, after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and / or the Selling Shareholders, in consultation with the Lead Managers, withdraws the Offer after the Bid / Offer Closing Date and thereafter determines that it will proceed with an issue / offer for sale of the Offered Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

### Bid / Offer Programme

<b>BID / OFFER OPENS ON</b>	[●] <sup>(1)</sup>
<b>BID / OFFER CLOSSES ON</b>	[●] <sup>(2)</sup>

- (1) Our Company and the Selling Shareholders may, in consultation with the Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.
- (2) Our Company and the Selling Shareholders may, in consultation with the Lead Managers, 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.

The following table sets forth details of an indicative timetable in respect of the Offer:

Event	Indicative Date
Bid / Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Accounts	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Listing and Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**The above timetable, other than the Bid / Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the members of the Syndicate.**

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid / Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

### Submission of Bids (other than Bids from Anchor Investors):

Bid / Offer Period (except the Bid / Offer Closing Date)	
Submission and Revision in Bids	Only between 10 a.m. and 5 p.m. (Indian Standard Time (“IST”))
Bid / Offer Closing Date <sup>(1)</sup>	
Submission and Revision in Bids	Only between 10 a.m. and 3 p.m. IST

- <sup>(1)</sup> Our Company and the Selling Shareholders may, in consultation with the Lead Managers, 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.

**On the Bid / Offer Closing Date, the Bids shall be uploaded until:**

- (i) 4 p.m. IST in case of Bids by QIBs, Non-Institutional Bidders, and
- (ii) until 5 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion
- (iii) On the Bid / Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the Lead Managers to the Stock Exchanges.

**For the avoidance of doubt, 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 SCSBs would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid / Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and, in any case, no later than 3 p.m. IST on the Bid / Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid / Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

Our Company and the Selling Shareholders, in consultation with the Lead Managers, reserves the right to revise the Price Band during the Bid / Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, *i.e.* the Floor Price can move up or down to the extent of 20% and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of Equity Shares.

**In case of revision in the Price Band, the Bid / Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in 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 also by indicating the change on the terminals of the Syndicate Members.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

**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% of the post-Offer paid up Equity Share capital of our Company, in terms of Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, in accordance with applicable laws, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law in the manner set out in the Offer Agreement. The requirement for minimum subscription is not applicable for the Offer for Sale. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority:

- (i) through the Equity Shares offered pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares; and
- (ii) subsequently through the balance part of the Fresh Issue.

For the avoidance of doubt, any expense incurred on behalf of any Selling Shareholder with regard to refunds will be reimbursed by such Selling Shareholder only in relation to their respective portion of the Offered Shares. Further, a Selling Shareholder shall not be responsible to pay interest in this regard, including, for any delay, except to the extent that such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and to the extent of its respective portion of the Offered Shares.

**Arrangement for Disposal of Odd Lots**

Since the Equity Shares will be traded in dematerialised form only and the marketable lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

### **Restrictions on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Offer equity share capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" beginning on page 97, and except as provided in the Articles of Association, there are no restrictions on transfer, transmission and consolidation/ splitting of Equity Shares. For details, see "*Main Provisions of the Articles of Association*" beginning on page 616.

## OFFER STRUCTURE

The Offer comprises up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising of [●] Equity Shares aggregating up to ₹ 5,000 million through Fresh Issue by our Company and up to 24,886,823 Offered Shares aggregating up to ₹ [●] million through Offer for Sale by the Selling Shareholders. The Offer includes a reservation of up to [●] Equity Shares for subscription by the Eligible Employees under the Employee Reservation Portion for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million. The Offer will constitute up to [●] % of the post-Offer paid-up Share capital of our Company and the Net Offer shall constitute [●] % of our post-Offer paid-up Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIB Bidders <sup>(1)</sup>	Non Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion <sup>(6)</sup>
Number of Equity Shares available for Allotment / allocation <sup>*(2)</sup>	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Offered Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares
Percentage of Offer Size available for Allotment / allocation	Not more than [●] of the Net Offer size shall be available for allocation to QIBs. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Offer or Net Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Net Offer or Net Offer less allocation to QIB Bidders, Non Institutional Bidders shall be available for allocation	[●]% of the Offer Size
Basis of Allotment / allocation if respective category is over-subscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  (b) Up to [●] Equity Shares shall be allotted on a proportionate basis to all QIB Bidders, including Mutual Funds receiving allocation as per (a) above	Proportionate	The Allotment to each Retail Individual Bidder shall not be less than the Minimum Bid Lot, subject to availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “Offer Procedure– Part B – Allotment Procedure and Basis of Allotment – Allotment to RIBs” on page 604	Allotment to Eligible Employees in the Employee Reservation Portion may exceed ₹ 200,000 only in the event of an under subscription 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 each Eligible Employee not exceeding ₹ 500,000
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares thereafter, that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares thereafter, that the Bid	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars	QIB Bidders <sup>(1)</sup>	Non Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion <sup>(6)</sup>
		Amount exceeds ₹ 200,000		
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer Size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding 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	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each employee in this portion does not exceed ₹ 500,000
Bid Lot	[●] Equity Shares and in multiples thereof			
Mode of Allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share			
Trading Lot	One Equity Share			
Mode of Bidding	ASBA <sup>(3)</sup>	ASBA	ASBA	ASBA
Who can apply <sup>(4)(5)</sup>	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority of India, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance fund set up and managed by the Department of Posts, India and systemically important non-banking financial companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors registered with SEBI, which is a foreign corporate or foreign individual for Equity Shares such that the Bid Amount exceeds ₹ 200,000 in value.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)	Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines)
Terms of Payment <sup>(3)(6)</sup>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.			

\* Assuming full subscription in the Offer.

(1) Our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" beginning on page 573.

- (2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer shall be made through the Book Building Process wherein not more than 50% of the Net Offer has been made available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders in consultation with the Lead Managers may allocate 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Offer Price. 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. However, if the aggregate demand from the Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*
- (3) *Anchor Investors are not permitted to use ASBA Bids.*
- (4) *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. The signature of only such 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. Further, a Bidder Bidding in the Employee Reservation Portion (subject to the Payment Amount being up to ₹ 200,000) can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all portions.*
- (5) *With respect to restrictions on participation in the Offer, see “Offer Procedure” and “Restrictions on Foreign Ownership of Indian Securities” beginning on pages 573 and 615.*
- (6) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see “Offer Procedure - Part B - Section 7: Allotment Procedure and Basis of Allotment” from page 604.*
- (7) *Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion, 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. Further, an Eligible Employee Bidding in the Employee Reservation Portion (subject to the Payment Amount being up to ₹ 200,000) can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

Under subscription, if any, in any category (including Employee Reservation Portion) except in the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders, in consultation with the Lead Managers and the Designated Stock Exchange.

## 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 (“General Information Document”) and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, SEBI circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 included below under section “Part B – General Information Document”, of this section 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 include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, and certain notified provisions of the Companies Act, 2013, and amendments to the SEBI ICDR Regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

### PART A

#### **Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be allocated to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Offered Shares shall be added to the Net QIB Portion. 5% of the Net QIB 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 less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category (including Employee Reservation Category), except in 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 Shareholders in consultation with the Lead Managers and Designated Stock Exchange. 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 up to ₹ 500,000), shall be added to the Net Offer.

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 Offered Shares in physical form.**

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and our Registered Office and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid / Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form

and the ASBA Forms that do not contain such details will be rejected. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA. Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the Lead Managers. 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.

The following table sets forth details of the prescribed colour of the Bid cum Application Form for the various categories:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPIs, FVCIs, registered multinational and bilateral development financial institutions applying on a repatriation basis For restrictions on participation in the Offer, see “Offer Procedure” and “Restrictions on Foreign Ownership of Indian Securities” beginning on pages 573 and 615, respectively	Blue
Eligible Employees Bidding under the Employee Reservation Portion on a repatriation basis**	Pink
Anchor Investors***	White

\* Excluding electronic Bid cum Application Form. Electronic Bid cum Application forms were also made available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

\*\*Bid cum Application Forms for Eligible Employees will be made available at the Registered Office and Corporate Office of the Company.

\*\*\*Bid cum Application Forms for Anchor Investors will be made available at the office of the Lead Managers.

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB, where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### **Participation by Promoters, Promoter Group, the Lead Managers the Syndicate Members and persons related to our Promoters / Promoter Group / Lead Managers**

The Lead Managers and the Syndicate Members shall not be allowed to purchase the Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers and the Syndicate Members may Bid for Equity Shares in the Net Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Lead Managers nor any persons related to the Lead Managers (other than Mutual Funds sponsored by entities related to the Lead Managers) can apply in the Offer under the Anchor Investor Portion. Further, the Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Offer, other than to the extent of their respective Offered Shares.

### **Who can Bid?**

In addition to the category of Bidders set forth in the sub-section titled “– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue” on page 586, any other persons eligible to Bid in the Offer under all applicable laws, regulations and guidelines applicable to them.

### **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 and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

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 can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.**



**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a non-repatriation basis using Resident Forms should authorise their SCSB to block their Non-Resident Ordinary accounts for the full Bid Amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour). For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 615.

### **Bids by FPIs**

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) is not permitted to exceed 10% of our post-Offer equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of our Company. The aggregate limit of 24% can be increased subject to compliance with conditions mentioned in FDI Policy and the FEMA Regulations. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. 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. The aggregate limit of 24% has been increased to 49% by way of a resolution passed by our Board dated September 25, 2018 followed by a special resolution passed by the Shareholders dated September 25, 2018 and is subject to intimation to RBI (which our Company will file with RBI in due course).

In accordance with the FEMA Regulations, participation by non-residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations, in accordance with applicable law, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company and the aggregate limit for FPI investment not exceeding 24% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations, in accordance with applicable law, 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. As per the existing policy of the Government, OCBs cannot participate in this Offer.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. 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 Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms, and (iii) such offshore derivative instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by, or on behalf of, it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

## **Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI 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 in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds 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 one-third of its investible funds 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.

**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.**

Our Company, Selling Shareholders and the Lead Managers will not 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 and the Selling Shareholders reserves the right to reject any Bid by a limited liability partnership without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 and the Selling Shareholders reserves the right to reject any Bid by a banking company without assigning any reason thereof.

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 not being its subsidiary engaged in non-financial services or 10% of the banks’ own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act. A banking company would require a prior approval of RBI to make investment in a non-financial services company in excess of 10% of such investee company’s paid up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies and provident funds with a 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 Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders, in consultation with the Lead Managers, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that our Company, the Selling Shareholders and the Lead Managers deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with Insurance Regulatory and Development Authority of India, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority of India must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended, are broadly set forth below:

- (a) equity shares of a company: the lower of 10\*% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- (b) 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 reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, as the case may be.

The maximum exposure limit, in 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 a general insurer and the amounts calculated under points (a), (b) and (c) 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.*

Insurance Companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by Insurance Regulatory and Development Authority of India from time to time.

### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **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 Shareholders reserves the right to reject any Bid, without assigning any reason thereof.

### **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 an unconsolidated 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 Shareholders 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 legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

### **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 Allotment in the Employee Reservation Portion will be on a proportionate basis. However, Allotments to Eligible Employees in excess of ₹ 200,000 up to ₹ 500,000 shall be considered on a proportionate basis, in the event of under subscription in the Employee Reservation Portion. Subsequent under subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that their Bid does not exceed ₹ 200,000.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink colour form).
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) as at the date of the Red Herring Prospectus) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Only those Bids, which are received at or above the Offer Price, would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Further, bids by Eligible Employees in the Employee Reservation Portion (subject to the Payment Amount being up to ₹ 200,000) shall also not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all portions. For further details, see “*Offer Procedure – Multiple Bids*” on page 592.
- The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. 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 portion 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.
- Under-subscription, if any, in any portion, (including the Employee Reservation Portion), except in the QIB Portion, would be allowed to be met with spill-over from any other portion or a combination of portions at the discretion of our Company and the Selling Shareholders, in consultation with the Lead Managers and the Designated Stock Exchange.

If the aggregate demand in this portion 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 Allotment, see “*Offer Procedure – Part B - Basis of Allocation*” on page 603.

**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.**

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Lead Managers, severally or jointly, are not liable for any amendment, 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 investigation and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

**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 you have mentioned the correct ASBA Account number in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the ASBA bank account holder, ensure that the Bid cum Application Form is also signed by the ASBA account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
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 names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only 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 of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (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, all Bidders should mention their PAN allotted under the Income Tax Act, 1961. 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;
13. 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;
14. Ensure that the category and the investor status is indicated;
15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
18. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
19. 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; and
20. Ensure that the Demographic Details are updated, true and correct in all respects.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
3. Do not bid on another the Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

4. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;
5. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
7. Do not Bid at Cut-off Price (for Bids by QIBs, Eligible Employees under the Employee Reservation Portion (subject to the Bid Amount being above ₹ 200,000) and Non-Institutional Bidders);
8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit the Bid for an amount more than funds available in your ASBA account.
10. 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;
11. 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;
12. 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);
13. 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;
14. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
15. Do not submit more than five Bid cum Application Forms per ASBA Account;
16. Anchor Investors should not bid through the ASBA process;
17. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not submit the GIR number instead of the PAN;
19. Anchor Investors should submit Anchor Investor Application Form only to the Lead Managers;
20. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;
22. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date;
23. 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 Bidder; and
24. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Payment into Escrow Account for Anchor Investors**

Anchor investors are not permitted to Bid in the Offer through the ASBA process. Our Company and the Selling Shareholders, in consultation with the Lead Managers, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

## Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) [●] editions of English national daily newspaper [●]; and (ii) [●] editions of Hindi national daily newspaper [●], Hindi also being the regional language in the place where our Registered Office is located), each with wide circulation. In the pre-Offer advertisement, we shall state the Bid / Offer Opening Date, Bid / Closing Date and the QIB Bid Closing Date. The 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 the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price.
- (b) After signing the Underwriting Agreement, Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

## Impersonation

**Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:**

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 2 million or with both.

## Undertakings by our Company

Our Company undertakes the following:

- if our Company and the Selling Shareholders do not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, reasons thereof shall be given as a public notice within two days of 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.
- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps 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 are taken within six Working Days of the Bid / Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- intimation of the credit of the securities / refund orders to Eligible NRIs shall be despatched within specified time; and
- 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.

#### **Undertakings by Selling Shareholders**

Each Selling Shareholder severally and not jointly, undertake and specifically confirm the following in respect of itself and its respective portion of the Offered Shares:

- it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares.
- its respective portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations.
- its respective portion of the Offered Shares are fully paid up;
- its respective portion of the Offered Shares are free and clear of any encumbrance and it shall provide such reasonable cooperation to the Company and the Share Escrow Agent for transfer of such Offered Shares to the Bidders within the time specified under applicable law;
- it shall not have recourse to the proceeds of the Offer for sale which shall be held in escrow in its favour, until the final listing and trading approvals have been received by the Company from the Stock Exchanges.

#### **Utilisation of Offer Proceeds**

Our Company declares that all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.



## PART B

### General Information Document for Investing in Public Offers

*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 the 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 Issue. For taking an investment decision, the Bidders / Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus / Prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price issue. 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, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”).

Bidders / Applicants should note that investment in equity and equity related securities involves risk and Bidder / Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and / or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders / Applicants should carefully read the entire RHP / Prospectus and the Bid cum Application Form / Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. 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 websites of the Lead Managers to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalised terms and abbreviations used herein Bidders / Applicants may see “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, the 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 / Regulation 27 of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders / Applicants may refer to the RHP / Prospectus.

##### 2.3 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, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (“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 Issue (“Fixed Price Issue”). An

Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120.00% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid / Issue Opening Date, in case of an IPO and at least one Working Day before the Bid / Issue 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 Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.5 ISSUE PERIOD**

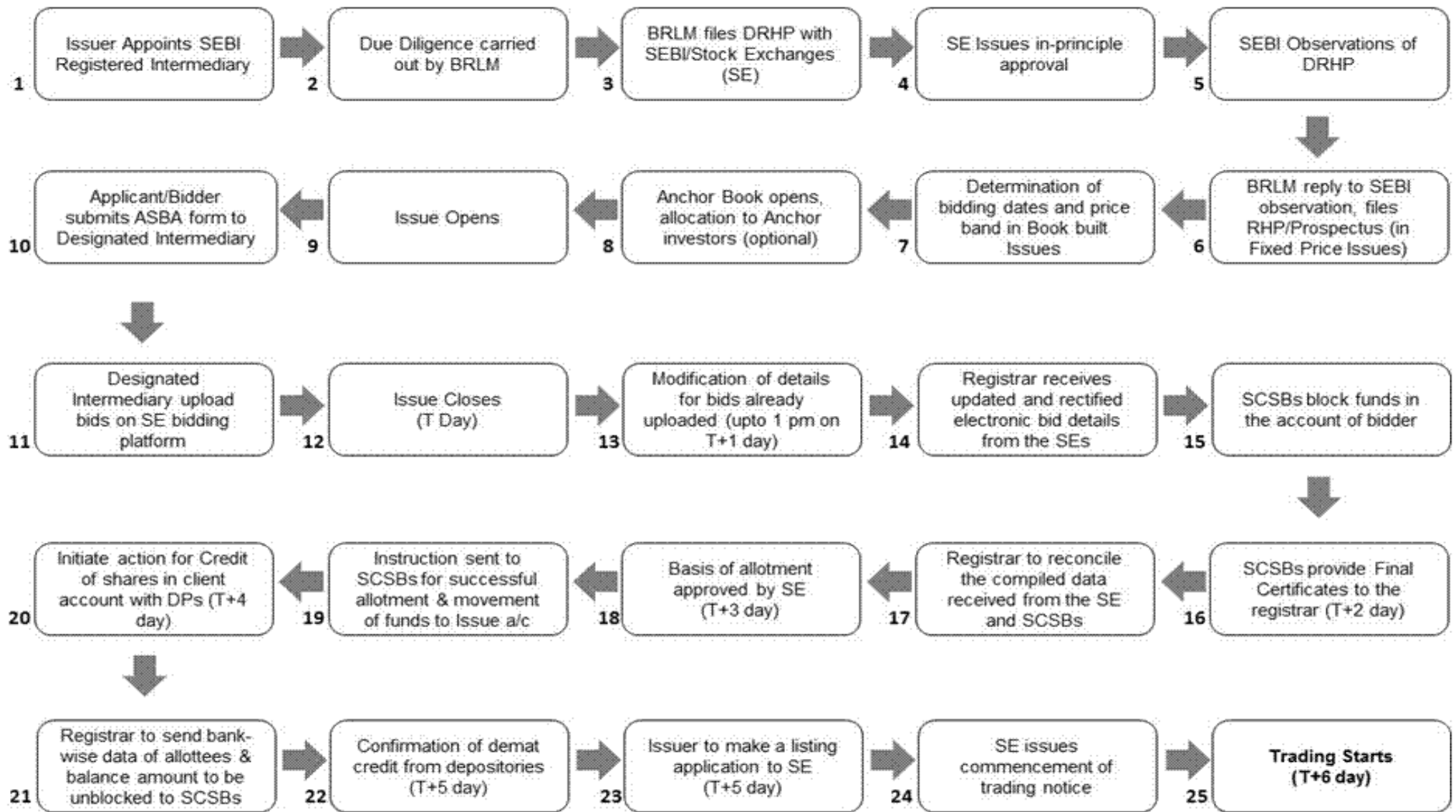
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders / Applicants) and not more than ten Working Days. Bidders / Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP / Prospectus for details of the Bid / Issue Period. Details of Bid / Issue 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 / Issue Period for QIBs one Working Day prior to the Bid / Issue 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 / Issue Period may be extended by at least three Working Days, subject to the total Bid / Issue 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 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 Issue 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 Issue Date and Price
  - ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries



### 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, FPIs and FVCIs may not be allowed to Bid / Apply in the Issue 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 invest in equity shares;
- QIBs;
- NRIs on a 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 other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares;
- 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;
- 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 Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Lead Managers, 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 / Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP / Prospectus.

**Fixed Price Issue:** Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, 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

Category	Colour of the Bid cum Application Form
NRIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding / applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in compliance with Section 29 of the Companies Act, 2013. Bidders / Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### **4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM / APPLICATION FORM**

Bidders / Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form / Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

# APPLICATION FORM FOR RESIDENTS

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details: ..... CIN No .....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS</b>
--	--	--

LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : .....	Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
--	----------------------------------	--

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
		Address <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
		Tel. No (with STDcode) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER
		<span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	<input type="checkbox"/> Individual - IND <input type="checkbox"/> Hindu Undivided Family - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")					5. CATEGORY	
Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" Price (in multiples of ₹ 1/-only) (In Figures)			"Cut-off" (Please tick)	<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price	Retail Discount	Net Price		
Option 1	8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1	<input type="checkbox"/>	<input type="checkbox"/>
OR) Option 2					<input type="checkbox"/>	<input type="checkbox"/>
OR) Option 3					<input type="checkbox"/>	<input type="checkbox"/>

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> (₹ in words) _____	

ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Bank Name & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
---	--

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 ANNOUNCEMENT PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUE (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (A clear legible upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to deal with or as necessary to make the Application in the line	
	1) _____	
	2) _____	
	3) _____	
Date : _____		

TEAR HERE

LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	Acknowledgem ent Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
------	---	--	--

PAN of Sole / First Bidder <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Stamp & Signature of SCSB Branch
--	----------------------------------

Amount paid (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		
Received from Mr./Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		
Telephone / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Email <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	

TEAR HERE

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	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. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		<b>Acknowledgem ent Slip for Bidder</b>
			Bid cum Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>

TEAR HERE

# APPLICATION FORM FOR NON-RESIDENTS

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Address : _____ Contact Details: _____ CIN No _____	<b>FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS</b>
--	---	--

<b>LOGO</b> TO, <b>THE BOARD OF DIRECTORS</b> XYZ LIMITED	<table border="1" style="margin: auto;"> <tr><td style="text-align: center;">BOOK BUILT ISSUE</td></tr> <tr><td style="text-align: center;">ISIN : _____</td></tr> </table>	BOOK BUILT ISSUE	ISIN : _____	Bid cum Application Form No. _____
BOOK BUILT ISSUE				
ISIN : _____				

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b>
		Mr./Ms. _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>	Address _____
		_____ Email _____
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	Tel. No (with STD code) / Mobile _____
<b>2. PAN OF SOLE / FIRST BIDDER</b>		

<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>																																	
	<input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)																																	
	<input type="checkbox"/> FII FII or Sub-account not a Corporate/Foreign Individual																																	
	<input type="checkbox"/> FIIA FII Sub-account Corporate/Individual																																	
	<input type="checkbox"/> FVCI Foreign Venture Capital Investor																																	
	<input type="checkbox"/> FPI Foreign Portfolio Investors																																	
	<input type="checkbox"/> OTH Others (Please Specify) _____																																	
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID																																		
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> <tr> <td></td> <td>8   7   6   5   4   3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> <td></td> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	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)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price		8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1		Option 1					<input type="checkbox"/>	(OR) Option 2					<input type="checkbox"/>	(OR) Option 3					<input type="checkbox"/>	<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
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)			"Cut-off" (Please tick)																											
	Bid Price	Retail Discount		Net Price																														
	8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1																														
Option 1					<input type="checkbox"/>																													
(OR) Option 2					<input type="checkbox"/>																													
(OR) Option 3					<input type="checkbox"/>																													

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : FULL PAYMENT</b> <input type="checkbox"/> <b>PART PAYMENT</b> <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____	

<b>ASBA Bank A/c No.</b> _____	
<b>Bank Name &amp; Branch</b> _____	

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 ABBEED 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.

<b>8A. SIGNATURE OF SOLE/ FIRST BIDDER</b>	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - NR</b>	<b>Acknowledgement Slip for Broker/SCSB/ DP/RTA</b>	Bid cum Application Form No. _____
-------------	--	---	------------------------------------

<b>DPID / CLID</b>		<b>PAN of Sole / First Bidder</b>

Amount paid (₹ in figures) _____	Bank & Branch _____	<b>Stamp &amp; Signature of SCSB Branch</b>
ASBA Bank A/c No. _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____ Email _____		

TEAR HERE

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	Option 1	Option 2	Option 3	<b>Stamp &amp; Signature of Broker / SCSB / DP / RTA</b>	<b>Name of Sole / First Bidder</b>
No. of Equity Shares					
Bid Price					
Amount Paid (₹)					
ASBA Bank A/c No. _____					<b>Acknowledgement Slip for Bidder</b>
Bank & Branch _____					Bid cum Application Form No. _____

TEAR HERE

#### 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 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, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue 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.
- (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 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 2 million or with both.

- (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 in whose sole or first 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. 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. A Bid-cum-Application Form without PAN, except in a case of Exempted Bidders / Applicants, is 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 which provide the GIR Number instead of PAN may be rejected.
- (e) Bids / Applications by Bidders / Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

#### 4.1.3 **FIELD NUMBER 3: 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 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 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 Issue, 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 other correspondence(s) related to an Issue.
- (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 / Issue Opening Date in case of an IPO, and at least one Working Day before Bid / Issue 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 Bidders 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 Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer and the Selling Shareholders in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000.00 to ₹ 15,000.00. 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 RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer 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 Bidders, 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 ₹ 200,000.00.

- (b) In case the Bid Amount exceeds ₹ 200,000.00 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Portion, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (c) For NRIs, a Bid Amount of up to ₹ 200,000.00 may be considered under the Retail Portion for the purposes of allocation and a Bid Amount exceeding ₹ 200,000.00 may be considered under the Non-Institutional Portion for the purposes of allocation.
- (d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000.00 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. NIBs and QIBs are not allowed to Bid at Cut-off Price.
- (e) RIBs may revise or withdraw their Bids till closure of the bidding period. QIBs and NIBs 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.
- (f) In case the Bid Amount reduces to ₹ 200,000.00 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion.
- (g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10.00 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 60.00% 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 / Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (h) A Bid cannot be submitted for more than the Issue size.
- (i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (j) 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 Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue 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 three Bids at 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 Issue 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, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- (c) The following Bids may not be treated as multiple Bids:
- i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB 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 Issue are RIBs, NIBs and QIBs.
- (b) Up to 60.00% 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 Issue 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 Issue, 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 Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders / Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid / Apply in the Issue 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 in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Issue, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds 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) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.
- (c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through money order or through postal order.

#### 4.1.7.1 Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids with a Lead Managers.
- (b) Payments should be made either by direct credit, RTGS or NEFT.
- (c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

#### 4.1.7.2 Payment instructions for ASBA Bidders

- (a) Bidders may submit the ASBA Form either
  - i. in electronic mode through the internet banking facility Issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by 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, will not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) Bidders bidding through a Designated Intermediary, 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 ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the ASBA 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 ASBA 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 accept such Bids and such bids are liable to be rejected.
- (l) Upon submission of a completed ASBA 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 ASBA 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 Issue 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 Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 **Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected 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 Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid / Issue Closing Date.

#### 4.1.7.3 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RIB 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 Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Portion. These applications are neither eligible for Discount nor fall under RIB 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 duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder / Applicant, Bid cum Application Form number, Bidders' / Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

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 / Issue Period, any Bidder / Applicant (other than QIBs and NIBs, 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) RIB may revise their bids or withdraw their Bids till the Bid / Issue 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 / Issue 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:

<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>
	Address : ..... Contact Details: ..... CIN No. ....	
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	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr./Ms. ....
		Address: .....
SUB-BROKER'S / SUBAGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Email: .....
		Est. No (with STD code) / Mobile: .....
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER
		.....
		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
		For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID
<b>PLEASE CHANGE MY BID</b>		
<b>4. FROM (AS PER LAST BID OR REVISION)</b>		
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)
	8   7   6   5   4   3   2   1	Bid Price   Retail Discount   Net Price   "Cut-off" (Please tick)
Option 1	.....	.....
(OR) Option 2	.....	.....
(OR) Option 3	.....	.....
<b>5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")</b>		
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)
	8   7   6   5   4   3   2   1	Bid Price   Retail Discount   Net Price   "Cut-off" (Please tick)
Option 1	.....	.....
(OR) Option 2	.....	.....
(OR) Option 3	.....	.....
<b>6. PAYMENT DETAILS</b>		
Additional Amount Paid (₹ in figures) .....		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
ASBA Bank Ac No. ....		
Bank Name & Branch .....		
I/WE IN BEHALF OF BEST APPLICANT, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID REVISION FORM AND THE GENERAL INFORMATION DOCUMENT FOR INITIAL PUBLIC ISSUE (IPII) AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERBORN AS GIVEN OVERLEAF/WE (IN BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT 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)	BROKER / SCSB / DP / RTA STAMP (Add knowledge/ upload of Bid in Stock Exchange system)
..... Date: .....	I/We authorize the SCSB to debit my account to make the Application to Bid for: (1) ..... (2) ..... (3) .....	
TEAR HERE		
LOGO	<b>XYZ LIMITED</b> 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		
<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1   Option 2   Option 3	Stamp & Signature of Broker / SCSB / DP / RTA
No. of Equity Shares	.....	Name of Sole / First Bidder
Bid Price	.....	.....
Additional Amount Paid (₹)		<b>Acknowledgement Slip for Bidder</b>
ASBA Bank A/c No. ....		Bid cum Application Form No. ....
Bank & Branch .....		

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 / APPLICANTS, 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 RIBs, Employees and Retail Individual Shareholders, such Bidders / Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000.00. In case the Bid Amount exceeds ₹ 200,000.00 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 Portion, 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 RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000.00, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP / Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

#### 4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) All Bidders / Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked in the ASBA Account. 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 / Applicants may issue 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 ₹ 200,000.00, the Bid may be considered for allocation under the Non-Institutional Portion in terms of the RHP / Prospectus. If, however, the Bidder / Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked 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, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

#### 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 Issue 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 and the Selling Shareholders in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000.00 to ₹ 15,000.00. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIBs and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.00 and applications by Employees must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 500,000.00.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000.00 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 Issue 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 Issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (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 Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
  - iii. Applications by Mutual Funds 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 Issue are RIBs, individual applicants other than RIB'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 Issue, 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 Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 of ASBA for applying in the Issue
- (b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

##### 4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

##### 4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

##### 4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

#### 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 / APPLICATION FORM / REVISION 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	1) To the Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location  (b) To the Designated Branches of the SCSBs

- (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 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 Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid / Issue Closing Date. Valid Bids received at or above the Issue 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 / Issue Period, Bidders / Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Lead Managers, to register their Bid.
- (b) In case of Bidders / Applicants (excluding NIBs 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 / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid / Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue 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 Lead Managers at the end of the Bid / Issue 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 / Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIBs can withdraw their Bids until Bid / Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid / Issue Period, 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 Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs 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 Intermediary.

- (b) The Lead Managers and their affiliate Syndicate Members, as the case may be, may reject Bids if all 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) Lead Managers 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, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.
- (f) Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

#### 5.5.1 **GROUND FOR TECHNICAL REJECTIONS**

Bid cum Application Forms / Application Forms 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, which have been detailed at various places in this GID:-

- (a) Bids / Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Accounts maintained with an SCSB;
- (b) 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);
- (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) DP ID and Client ID not mentioned in the Bid cum Application Form / Application Form;
- (f) 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;
- (g) Bids / Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (h) Bids / Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (i) PAN not mentioned in the Bid cum Application Form / Application Forms 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;
- (j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (k) Bids / Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (l) Bids / Applications at a price less than the Floor Price & Bids / Applications at a price more than the Cap Price;
- (m) Bids / Applications at Cut-off Price by NIBs and QIBs;
- (n) The amounts mentioned in the Bid cum Application Form / Application Forms do not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- (o) Bids / Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (p) Submission of more than five ASBA Forms / Application Forms per ASBA Account;

- (q) Bids / Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;
- (r) Multiple Bids / Applications as defined in this GID and the RHP / Prospectus;
- (s) Bids not uploaded in the Stock Exchanges bidding system.
- (t) Bid cum Application Form / Application Forms are not delivered by the Bidders / Applicants within the time prescribed as per the Bid cum Application Form / Application Form, Bid / Issue Closing Date Advertisement;
- (u) Inadequate funds in the bank account to block the Bid / Application Amount specified in the ASBA Form / Application Form at the time of blocking such Bid / Application Amount in the bank account;
- (v) Where no confirmation is received from SCSB for blocking of funds;
- (w) Bids / Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (x) Bids / Applications not uploaded on the terminals of the Stock Exchanges;
- (y) Bids / Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;
- (z) 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 Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue 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 Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and the Selling Shareholders in consultation with the Lead Managers 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the 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 ₹ 20.00 to ₹ 24.00 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 company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.70%
1,000	23.00	1,500	50.00%
1,500	22.00	3,000	100.00%
2,000	21.00	5,000	166.70%
2,500	20.00	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹ 22.00 in the above example. The issuer and the Selling Shareholders, in consultation with the Lead Managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 22.00. All bids at or above this issue 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 / Issue 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. RIBs, NIBs 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: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of 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 / Issue Opening Date.

In a fixed price issue, allocation in the Net Offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; 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 Bidders 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 Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder 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 90.00% of the Net Offer (excluding any Offer for sale of specified securities). However, in case the Issue is in the nature of Offer for sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIBs**

Bids received from the RIBs at or above the Issue 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 Portion at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Portion at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot (“**Maximum RIB Allottees**”). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to the RIBs 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 RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (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 NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Portion at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Portion at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Portion.

## 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 Issue 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 Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5.00% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5.00% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5.00% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5.00% of the QIB Portion then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue 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 Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95.00% 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 5.00% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIB Bidders on a proportionate basis.

## 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer and the Selling Shareholders in consultation with the Lead Managers, subject to compliance with the following requirements:
  - i. not more than 60.00% 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 ₹ 100.00 million;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100.00 million and up to ₹ 2,500.00 million subject to minimum Allotment of ₹ 50.00 million per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million or part thereof, subject to minimum Allotment of ₹ 50.00 million per such Anchor Investor.
- (b) An Anchor Investor shall make an application of a value of at least ₹ 100.00 million in the Issue.
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer and the Selling Shareholders in consultation with the Lead Managers, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

- (d) **In the event that the Issue Price is higher than the Anchor Investor Allocation 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 Issue Price and the Anchor Investor Allocation 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.
- (e) **In the event the Issue Price is lower than the Anchor Investor Allocation 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), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer and the Selling Shareholders 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

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders / Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

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 Issue.



- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders / Applicants Depository Account will be completed within six Working Days of the Bid / Issue Closing Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer shall 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 / Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid / Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in / list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in 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) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5.00 lakhs but which may extend to ₹ 50.00 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 ₹ 50,000.00 but which may extend to ₹ 3.00 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders / Applicants in pursuance of RHP / Prospectus.

If such money is not refunded to the Bidders / Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP / Prospectus.

#### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive a minimum subscription of 90.00% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid / Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue 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 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 15 Working Days or such other period as may be prescribed, be jointly and severally liable to repay the money, with interest at the rate of 15.00% per annum or such other interest as may be prescribed 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 Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75.00% of the Issue to QIBs, in such case full subscription money is to be refunded.

### 8.3 MODE OF REFUND

- (a) **In case of ASBA Bids:** Within six Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
- (b) **In case of Anchor Investors:** Within six Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Issue 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 Anchor Investor 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 Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

#### 8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) **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.
- (b) **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;
- (c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.
- (d) **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;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors 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 15.00% per annum or such other rate as may be prescribed if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner / instructions for unblocking of funds in the ASBA Account are not dispatched within six working days of the Bid / Issue Closing Date.

The Issuer may pay interest at 15.00% per annum for any delay beyond 15 days from the Bid / Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of any inconsistency between the definitions given in “Definitions and Abbreviations” beginning at page 1, and the definitions contained below, the definitions given in “Definitions and Abbreviations” shall prevail.*

Term	Description
Allotment / Allot / Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders / Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders / Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder / Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60.00% of the QIB Portion which may be allocated by the Issuer and the Selling Shareholders in consultation with the Lead Managers, 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 Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders / Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form / ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders / Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders / Applicants except Anchor Investors
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account 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 Issue during the Bid / Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid / Issue Period 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 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 cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid / Issue 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 Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Closing Date

<b>Term</b>	<b>Description</b>
Bid / Issue 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. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Opening Date
Bid / Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date inclusive of both days and during which prospective ASBA Bidders / Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid / Issue Period for QIBs one working day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Period
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 / Applicants should be construed to mean an 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 Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders / Applicants can submit the ASBA 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.
Lead Managers	The Lead Managers to the Issue 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 Lead Managers should be construed to mean the Lead Managers or LM
Business Day	Monday to Saturday (except 2 <sup>nd</sup> and 4 <sup>th</sup> Saturday of a month and public holidays)
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 Bid / Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue 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
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Cut-off Price	Issue Price, finalised by the Issuer and the Selling Shareholders in consultation with the Manager(s), which can be any price within the Price Band. Only RIBs, 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 <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants.

<b>Term</b>	<b>Description</b>
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA 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 Issue 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
Escrow Account	Account opened with the Escrow Collection Bank(s) 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
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Manager(s), the Escrow Collection Bank(s) 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
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
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
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue 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
Issue	Public issue of Equity Shares of the Issuer including the Offer for sale if applicable
Issuer / Company	The Issuer proposing the initial public offering / further public offering as applicable

<b>Term</b>	<b>Description</b>
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs 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	5.00% of the QIB Portion (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
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP / Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Non Institutional Bidders or NIBs	All Bidders / Applicants 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 ₹ 200,000.00 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being such number of Equity Shares available for allocation to NIBs 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 Regulations 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 60.00% by NRIs including overseas trusts, in which not less than 60.00% 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
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue 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 Issue Price The Issue Price shall be decided by the Issuer and the Selling Shareholders in consultation with the Manager(s)
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 Issue will be decided by our Company and the Selling Shareholders in consultation with the Lead Managers and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid / Issue 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 and the Selling Shareholders in consultation with the Manager(s), finalise the Issue 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 Issue Price, the size of the Issue and certain other information
Public Issue Account	A Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date

<b>Term</b>	<b>Description</b>
QIB Portion	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
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 issued and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid / Issue 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	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP / Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue / RTO	The Registrar to the Issue 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 Issue reserved for such category of eligible Bidders / Applicants as provided under the SEBI ICDR Regulations
Retail Individual Bidders / RIBs	Investors who applies or bids for a value of not more than ₹ 200,000.00.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.00.
Retail Portion	The portion of the Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB 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
Self-Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges / SE	The stock exchanges as disclosed in the RHP / Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The 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 ASBA Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the RHP / Prospectus

Term	Description
Underwriters	The Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement among the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	<p>“Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016</p>



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries / departments of the Government of India and the RBI. Pursuant to the Office Memorandum dated June 5, 2017 issued by the Department of Economic Affairs, Ministry of Finance, approval for foreign investment under the FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017 which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated FDI Policy. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the updated FDI policy, for manufacturing activities, 100% foreign investment is permitted under the automatic route.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933 (“**Securities Act**”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A (“**Rule 144A**”) under the Securities Act), pursuant to the private placement exemption set out in Rule 144A, Section 4(a) of the Securities Act, or another available exemption from the registration requirements of the Securities Act.

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.

**The above information is given for the benefit of the Bidders. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## 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.*

*The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context requires otherwise co-exist with each other until the commencement of the listing of equity shares of the Company pursuant to the initial public offering of the equity shares of the Company (“Offer”). In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, prevail and be applicable, until the date of listing of the equity shares of the Company on the stock exchange(s) in India pursuant to the Offer. However, on and from the date of listing and trading of the equity shares of the Company on the stock exchange(s) in India pursuant to the Offer, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall continue to be in effect and be in force, without any further corporate or other action by the Company or its shareholders. Further, the right of IFC under Article 103 of Part A herein shall be exercisable upon receipt of shareholders’ approval through a special resolution in a general meeting of the Company held after listing of the equity shares of the Company on the stock exchange(s) in India pursuant to the Offer.*

### SHARE CAPITAL AND VARIATION OF RIGHTS

Article 5 provides that, “The authorised share capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company or the provisions of applicable law for the time being in force.”

Article 6 provides that, “Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.”

Article 8 provides that, “Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such time as they may from time to time think fit and with the sanction of the Company in a General Meeting give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or in part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that the option or right to call on shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.”

Article 9 provides that, “The Board of Directors may issue and allot shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares.”

### SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Article 10 provides that, “Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- (b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
- (c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

- (e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.”

## **FURTHER ISSUE OF SHARES**

Article 11 provides that,

- “(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:
- (i) to the persons who at the date of the offer are holders of the equity shares of the Company in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
  - (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;
  - (iii) 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 sub-clause (ii) shall contain a statement of this right;
  - (iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;
    - (A) to employees under any scheme of employees’ stock option subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable law; or
    - (B) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) 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 the compliance with the applicable provisions of Chapter III of the Act and any such conditions as may be prescribed under the Act and the rules made thereunder;
- (2) Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:
- (i) To extend the time within which the offer should be accepted; or
  - (ii) 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 compromised in the renunciation.
- (3) Nothing in this Article 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 of 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.
- (4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:
- Provided that where the terms and conditions of such sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the company and the Government pass such order as it deems fit.
- 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 and the rules made thereunder.”

## **UNDERWRITING & BROKERAGE**

Article 25 provides that,

- “(a) Subject to the provisions of the Act and other applicable laws, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.
- (b) The Company may also, in any issue, pay such brokerage as may be lawful.
- (c) 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.”

## **LIEN**

Article 26 provides that, “The Company shall subject to applicable law have a first and paramount lien on every share / debentures (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debentures and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company’s lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.”

Article 27 provides that, “The Company’s lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.”

Article 28 provides that, “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; or
- (b) until the expiration of fourteen (14) 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.”

Article 31 provides that, “The proceeds of any such 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 and 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.”

## **CALLS ON SHARES**

Article 34 provides that “The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders’ in a general meeting.”

Article 35 provides that, “Each Member shall, subject to receiving at least fourteen (14) 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.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.”

Article 36 provides that, “The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have

been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.”

## **FORFEITURE OF SHARES**

Article 43 provides that, “If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.”

Article 44 provides that, “The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 45 provides that, “Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law.”

Article 46 provides that, “Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.”

Article 48 provides that, “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, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. 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.”

## **TRANSFER AND TRANSMISSION OF SHARES**

Article 58 provides that, “The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.”

Article 59 provides that, “In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.”

Article 60 provides that,

- “(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
- (b) The Board may decline to recognize any instrument of transfer unless-
  - (i) the instrument of transfer is in the form prescribed under the Act;

- (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (iii) the instrument of transfer is in respect of only one class of shares.
- (c) 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.”

Article 67 provides that, “Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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 68 provides that, “A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors’ right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a 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 ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.”

## **ALTERATION OF CAPITAL**

Article 72 provides that, “The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.”

Article 75 provides that, “The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.”

Article 77 provides that, “Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.”

## **GENERAL MEETINGS**

Article 78 provides that,

- “(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.”

Article 79 provides that, “All General Meetings other than the Annual General Meeting shall be called “Extraordinary General Meeting”. Provided that, the Board may, whenever it thinks fit, call an extraordinary general meeting.”

Article 80 provides that, “The Board shall on, the requisition of Members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.”

#### **VOTE OF MEMBERS**

Article 94 provides that, “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 holding equity shares and present in person shall have one vote.
- (b) On a poll, every Member holding equity shares therein shall have voting rights in proportion to his share in the paid up equity share capital.
- (c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.”

Article 95 provides that, “In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.”

Article 98 provides that, “Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.”

#### **DIRECTORS**

Article 102 provides that, “Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following are the first Directors of the Company

- (a) Ramesh T. Jaisinghani;
- (b) Raju G. Jaisinghani; and
- (c) Suhasini S. Shah

Article 103 provides that, “Subject to the provisions of the Act, so long as IFC holds at least five percent (5%) of the share capital of the Company, IFC shall have the right but not the obligation to nominate one (1) Director to the Board.” Article 112 provides that, “The Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director appointed or the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.”

Article 113 provides that, “A retiring Director shall be eligible for re election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.”

#### **PROCEEDINGS OF BOARD OF DIRECTORS**

Article 118 provides that,

- “(a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.
- (b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual

address whether in India or abroad, provided always that a meeting may be convened by a shorter notice in accordance with the provisions of the Act.

- (c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- (d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.”

Article 123 provides that,

- “(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- (b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.”

## **BORROWING POWERS**

Article 130 provides that,

- “(a) 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 such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company’s bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.
- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company.
- (d) Any bonds, debentures, debenture-stock or other securities may if permissible in applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued 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, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into equity shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

## **CAPITALISATION OF PROFITS**

Article 151 provides that,

- “(a) The Company in General Meeting, may, on recommendation of the Board resolve:



- (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:
- (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
  - (ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly that specified in sub-clause (ii).
  - (iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
  - (v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.”

## **WINDING UP**

Article 162 provides that, “Subject to the applicable provisions of the Act–

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) 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.
- (c) 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.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.”

## **INDEMNITY**

Article 164 provides that, “Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.”

## **INSURANCE**

Article 165 provides that, “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 and reasonably.

## **PART B**

### **SHARE CAPITAL**

Article 3.1 provides that, “The Authorized Share Capital of the Company is ₹ 186,25,00,000/- (Rupees One Hundred Eight Six Crore Twenty Five Lacs only) divided into 18,62,50,000 (Eighteen Crores Sixty Two Lacs Fifty Thousand) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each capable of being increased in accordance with the Company's regulations and the provisions of Companies Act, 2013.”

Article 3.2 provides that, “The Shares in the capital of the Company for the time being whether original or increased may be divided into several classes, with any preferential, qualified, or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting return of capital or otherwise, the Company shall have power to issue convertible and redeemable preference shares.”

Article 3.3 provides that, “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 same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any Shares either at par (subject to compliance with the provisions of the Act) premium during such time and for such consideration as the Board thinks fit. Provided that the option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in general meeting.”

Article 3.8.1 provides that, “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 or 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 general meeting of the holders of the shares of that class and all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.”

### **FURTHER ISSUE OF CAPITAL**

Article 3.10.1 provides that, “Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, then:—

such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at that date.

Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice as aforesaid shall contain a statement of this right.

After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.”

Article 3.10.2 provides that, “Notwithstanding anything contained in the preceding Article 3.10.1 the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article 3.10.1(a) hereof) in any manner whatsoever.

If a Special Resolution to that effect is passed by the Company in a General Meeting; or

where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meeting (including the casting vote, if any, of the Chairperson) by Members who, being entitled so do to, vote in person, or where Proxies are allowed, by Proxy, exceed the votes, if any cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.”

### **CALLS ON SHARES**

Article 6.1 provides that, “The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.”

### **TRANSFER OF SHARES**

Article 7.1 provides that, “The instrument of transfer shall be in writing and all provisions of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied within respect of all transfer of shares and the registration thereof.”

Article 7.2 provides that, “The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.”

Article 7.3 provides that, “The Board may, subject to the right of appeal conferred by Section 58 of the Act, decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve and they may also decline to register any transfer of shares on which the Company has a lien.”

#### **TRANSMISSION OF SHARES**

Article 8.1 provides that, “On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares but nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.”

#### **FORFEITURE OF SHARES**

Article 9.1 provides that, “If a member fails to pay any call or installment of a call, on the day appointed for payment thereof, the Board may at any time thereafter, during such time as the call or installment remains unpaid, serve a notice on him requiring to pay such call or installment together with interest which may have accrued.”

#### **ALTERATION OF CAPITAL**

Article 10.1 provides that, “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.”

#### **BUY-BACK OF SHARES**

Article 12 provides that, “Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.”

#### **OWNERSHIP AND SHARE RETENTION**

Article 16.1 provides that, “Up to the date of the due consummation of an IPO as provided in these Articles, the Sponsors (collectively, Inder Jaisinghani, Ajay Jaisinghani, Ramesh Jaisinghani, Girdhari Jaisinghani, Reina R. Jaisinghani and Raju G. Jaisinghani are the Sponsors) shall collectively maintain an aggregate voting and economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by the Company) in the Company equal to one hundred percent (100%) of the Equity Shares held by them collectively on the Execution Date on a Fully Diluted Basis, provided that the Sponsors may Transfer Equity Shares constituting in the aggregate upto 2% of the Equity Shares held by them collectively on the execution date on a Fully Diluted Basis, to suppliers, distributors and other business associates.”

Article 16.2 provides that, “The Sponsors, directly or indirectly, shall maintain an aggregate voting and economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by the Company) in the Company equal to at least fifty one per cent (51%) of the Equity Shares held by them on the execution date, on a Fully Diluted Basis, for a period of at least two (2) years after the due consummation of an IPO as provided for in these Articles.”

Article 16.3 provides that, “Unless otherwise permitted in writing by IFC, the Sponsors shall in no event pledge any Equity Shares held by them in the Company to any third party. Provided, however, that such consent from IFC shall not be unreasonably withheld for any Equity Shares held by the Sponsors over and above Equity Shares held by them collectively aggregating fifty one per cent (51%) of the Equity Shares issued and outstanding from time to time, on a Fully Diluted Basis.”

Article 17.1 provides that, “If any of the Sponsors (each, a “Selling Shareholder” and all of them, collectively, the “Selling Shareholders”) proposes to Transfer (directly or indirectly) any shares or Share Equivalents to a third party transferee (a “Buyer”), IFC may participate in such Transfer in accordance with this Article.”

Article 18.1 provides that, “18.1.1 to 18.1.6 and Article 19 shall only be applicable to Transfers by any Person other than IFC, any transferee of IFC Subscription Securities and the Sponsors.”

Article 18.1.1. provides that, “If a member wants to Transfer his Shares to any person other than those mentioned in Article 13.13; he (hereinafter referred to as the “Offeror”) will have to first offer the Shares to the existing members, other than IFC. Such offer shall be made in writing and conveyed to the company giving details of the number of Shares offered and the price at which the Shares are offered. The Offeror of Shares, may, at his discretion, also send the offer directly to all existing Shareholders.”

Article 19.1 provides that, “The Board of Directors may refuse to register Transfer of any Shares or convertible debentures to any person-other than those mentioned in Article 13.13, whom they do not approve of.”

#### **BORROWING POWERS**

Article 24.1 provides that, “Subject to the provisions of these Articles and the Act, the Board may, from time to time, borrow or secure the payment of any sum or sums of money for the purpose of the Company.”

#### **BOARD OF DIRECTORS**

Article 26.1 provides that, “Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).”

#### **BOARD COMPOSITION**

Article 27.1 provides that, “The Board shall be composed of at least seven (7) Directors, which shall at all times include at least two (2) Independent Directors. For so long as IFC’s Shareholding constitutes at least five percent (5%), IFC shall have the right, but not the obligation, to appoint one director (the “IFC Director”, which shall include any alternate director nominated by IFC in his/her place) to the Board. The IFC Director shall not be required to hold qualification Shares nor be liable to retire by rotation. If appointed, the IFC Director shall be considered an Independent Director for purposes of fulfilling the requirement of a minimum of two (2) Independent Directors. The Company shall appoint all Independent Directors in consultation with IFC (except for the IFC Director, who shall be appointed by IFC, as provided hereinabove).”

#### **MEETINGS OF THE BOARD**

Article 32.1 provides that, “The Board shall meet (i) at least once every two (2) months for the period commencing from the Execution Date and ending eighteen (18) months from such date, and (ii) once every fiscal quarter (i.e., once every three (3) months), thereafter. Meetings of the Board shall be in Mumbai, Maharashtra or at such other place as may be reasonably determined by the Board of Directors.”

#### **SECRECY CLAUSE**

Article 48.1 provides that, “No member shall be entitled to inspect the Company works without the permission of the Director, or Managing Director, or to require discovery of or any information respecting any details of the Company’s manufacturing process, technology, marketing strategies trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Company to communicate to the public.”

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office and Corporate Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, other than the documents executed after Bid / Offer Closing Date.

#### A. Material Contracts for the Offer

1. Offer Agreement dated October 30, 2018 among our Company, the Selling Shareholders and the Lead Managers.
2. Registrar Agreement dated October 11, 2018 among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow Agreement dated [●] among our Company, the Selling Shareholders, the Lead Managers, the Bankers to the Offer, the Syndicate Members and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent.
5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the Lead Managers, the Registrar and Syndicate Members.
6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders, and the Underwriters to the Offer.
7. Monitoring Agency Agreement dated [●] between our Company and [●].

#### B. Material Documents in relation to the Offer

1. Certified copies of the Memorandum and Articles of Association of our Company, as amended till date.
2. Certificate of incorporation dated January 10, 1996 upon incorporation, fresh certificate of incorporation dated June 30, 2000 upon deemed public company, fresh certificate of incorporation dated June 15, 2001 upon conversion to private limited company, fresh certificate of incorporation dated August 29, 2018 upon conversion to public limited company, and fresh certificate of incorporation dated October 13, 2018 consequent upon change of name.
3. Order dated February 10, 2014 approving the shift in the Registered Office from the 'State of Maharashtra' to the 'State of Delhi' issued by the Regional Director, Western Region, MCA, Mumbai to our Company.
4. Resolutions of our Board of Directors dated September 20, 2018 in relation to the Offer and other related matters.
5. Shareholders' resolution dated September 20, 2018 in relation to the Fresh Issue and other related matters.
6. Consent letter of IFC in relation to the Offer for Sale of its respective portion of the Offered Shares.
7. Consent letters of the Promoter Selling Shareholders, the Promoter Group Selling Shareholders and the Individual Selling Shareholders approving the Offer for Sale of their Offered Shares
8. The examination reports dated October 24, 2018 of the Statutory Auditors, on our Company's Restated Financial Statements, included in this Draft Red Herring Prospectus.
9. Copies of the annual reports of our Company for the Fiscals 2017, 2016, 2015, and 2014.
10. Copies of the audited financial statements along with the auditor report and directors' report of our Company for the Fiscal 2018 and three months period ended June 30, 2018.
11. Statement of Tax Benefits dated October 26, 2018 from S R B C & CO LLP, Chartered Accountants.
12. Consent of Directors, Promoters, Selling Shareholders, Lead Managers, Syndicate Members, Legal Counsel to our Company as to Indian law, Legal Counsel to the Lead Managers as to Indian law, International Legal Counsel to the Lead Managers, Legal Counsel to IFC as to Indian Law, Registrar, Escrow Collection Bank, Refund Bank(s), Bankers to our Company, Company Secretary and Compliance Officer, as referred to in their specific capacities.

13. Written consent from the Auditors namely, S R B C & CO LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations and as “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination reports dated October 24, 2018 on our Restated Summary Statements and their report dated October 26, 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.
14. Tripartite agreement dated October 20, 2018 between our Company, NSDL and the Registrar to the Offer.
15. Tripartite agreement dated October 24, 2018 between our Company, CDSL and the Registrar to the Offer
16. Shareholders’ agreement, subscription agreement, and option agreement each dated June 25, 2009 entered into amongst our Company, IFC, Promoters and certain of our Promoter Group namely, Reina R. Jaisinghani and Raju G. Jaisinghani.
17. Amendment cum Termination Agreement dated September 28, 2018 between our Company, IFC, our Promoters and certain members of our Promoter Group namely, Reina R. Jaisinghani and Raju G. Jaisinghani.
18. Royalty Agreements entered into with our Company dated September 28, 2018 and September 28, 2018 with Thermoflex Cable Industries and Lite Technology Co. Private Limited, respectively.
19. Deed of Assignment dated September 28, 2018 entered into with our Company and Inder T. Jaisinghani.
20. Consent letter dated October 29, 2018 from CRISIL in relation to their report titled ‘*Assessment of electrical products industry in India – October, 2018*’.
21. Report titled ‘*Assessment of electrical products industry in India – October, 2018*’ dated October, 2018 by CRISIL.
22. Letter of appointment, in respect of terms of appointment of our whole-time directors.
23. Joint venture agreement dated October 21, 2015 between our Company, Jayantibhai Shankarbhai Patel, Divya Jayantibhai Patel, Dowell’s Elektro Werke, Dowell’s Electricals and D.J. Electricals Private Limited.
24. Framework agreement dated February 7, 2015 between our Company, Tirupati Trademarks Private and Tirupati Reels.
25. Joint venture agreement dated December 22, 2016 between our Company, Trafigura Pte. Limited and Ryker Base Private Limited.
26. Joint venture agreement dated March 9, 2017 between our Company, Techno Electromech Private Limited and the former promoters of Techno.
27. Scheme of amalgamation between our Company, Polycab Industries Private Limited, Polycab Cables Private Limited, BNK Plastics Private Limited and Polycab Industries Daman Private Limited.
28. Scheme of amalgamation between our Company and Polycab Cables Industries Private Limited.
29. Scheme of amalgamation between our Company, Jaisingh Wires Private Limited, Polycab Wires Industries Private Limited, Polycab Electrical Industries Private Limited, Datar Nouveau Energietechnik Limited, and Polycab Electronics Private Limited.
30. ESOP Plan 2018, ESOP Performance Scheme, and ESOP Privilege Scheme approved by the Board and Shareholders.
31. Consent issued by the following Chartered Engineers:
  - (i) Ashok Kashinath Dongre dated September 25, 2018 in relation to our facilities located in Nashik.
  - (ii) Anand Kumar Jain dated September 25, 2018 in relation to our facilities located in Roorkee.
  - (iii) Palande Vinod A dated September 7, 2018 in relation to the facilities of Dowells Cable located at Halol, dated September 7, 2018 in relation to the facilities of Techno located at Channi, dated September 7, 2018 in relation to the facilities of Ryker located at Waghodia, dated September 8, 2018 in relation to cables and wires business capacity and capacity utilization at the manufacturing facilities at Halol and Daman, and dated September 22, 2018 in relation to the seven Catenary Continuous Vulcanizing lines within the manufacturing facilities located at Halol and Daman.
  - (iv) Rajesh T. Panjwani dated August 25, 2018 in relation to the facilities of Tirupati Reels located at Padana, Kutch.

32. Due Diligence Certificate dated October 30, 2018 addressed to SEBI from the Lead Managers.
33. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
34. SEBI observation letter no. [●] dated [●].

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, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, and the rules, regulations and guidelines issued by the Government of India or the rules, regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act, each as amended, or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY**

\_\_\_\_\_  
**Inder T. Jaisinghani**  
(Chairman and Managing Director)

\_\_\_\_\_  
**Radhey Shyam Sharma**  
(Independent Director)

\_\_\_\_\_  
**Ajay T. Jaisinghani**  
(Whole-Time Director)

\_\_\_\_\_  
**Tilokchand Punamchand Ostwal**  
(Independent Director)

\_\_\_\_\_  
**Ramesh T. Jaisinghani**  
(Whole-Time Director)

\_\_\_\_\_  
**Pradeep N. Poddar**  
(Independent Director)

\_\_\_\_\_  
**Shyam Lal Bajaj**  
(Chief Financial Officer and Whole-Time Director)

\_\_\_\_\_  
**Hiroo Mirchandani**  
(Independent Director)

Place: Mumbai

Date: October 30, 2018



**DECLARATION**

Each undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus about or in relation to herself/ himself in connection with the Offer and the Offered Shares, are true and correct.

**SIGNED BY THE SELLING SHAREHOLDERS**

\_\_\_\_\_

**Inder T. Jaisinghani**

\_\_\_\_\_

**Ajay T. Jaisinghani**

\_\_\_\_\_

**Ramesh T. Jaisinghani**

\_\_\_\_\_

**Girdhari T. Jaisinghani**

\_\_\_\_\_

**Bharat A. Jaisinghani**

\_\_\_\_\_

**Nikhil R. Jaisinghani**

\_\_\_\_\_

**Anil H. Hariani**

\_\_\_\_\_

**Ramakrishnan Ramamurthi**

Date: October 30, 2018

Place: Mumbai

**DECLARATION BY INTERNATIONAL FINANCE CORPORATION, AS A SELLING SHAREHOLDER**

We, International Finance Corporation, hereby confirm that all statements and undertakings specifically made by us in this Draft Red Herring Prospectus in relation to ourselves, as a Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**For and on behalf of International Finance Corporation**

**Authorised Signatory**

Name: Ramesh Ramanathan

Designation: Manager

Date: October 30, 2018