

**RIYAZ GANGJI Libas Consumer Products Limited**  
**LIBAS** (formerly known as Libas Designs Limited)

---

**National Stock Exchange of India Ltd.**

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai - 400051

**Scrip Symbol - LIBAS**

**Series: EQ**

**Sub: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

**Update: Case against Libas Consumer Products Limited and its Directors and KMP by Mrs. Reshma Ganji**

With the captioned subject, please note that Mrs. Reshma Ganji, Managing Director of the Company has filed case against the Company, its Directors and Key Managerial Personnel with the NCLT Mumbai under Section 241 and 242 read with Section 244 of the Companies Act, 2013 for oppression and mismanagement.

Any further development in the matter will be intimated.

Copy of the said application is attached for reference.

**For & on behalf of**  
**Libas Consumer Products Ltd.**

**Riyaz Eqbal Ahmed Ganji**  
**(Whole-time Director)**  
**(DIN: 02236203)**

**Mumbai**  
**July 11, 2023**

CIN - L18101MH2004PLC149489

**Reg. Off.: 401 Crescent Royale, Off. New Link Road, Behind Morya Estate, Andheri (West), Mumbai - 53**

 **022 4976 7404 / 7396**  **accounts@libas.co.in**  **www.libasfashion.com**

**KAUSTUBH GUPTA**

**ADVOCATE**

Office No. 9, Ground Floor, 285 Sucheta Niwas, Shahid Bhagat Singh Road,  
Fort, Mumbai 400001.

Contact No.9769763947

Email Id: advkaustubhagupte@gmail.com

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To,  
The Registrar,  
National Company Law Tribunal,  
Mumbai.

Dated:- 27<sup>th</sup> June, 2023

**Ref.:- BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH**

**COMPANY PETITION NO. OF 2023**

Reshma Riyaz Ganji

...Petitioner

Versus

Libas Consumer Products Ltd. & Ors.

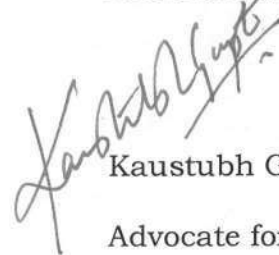
...Respondent

Sir,

Be Please to take on record the Company Petition on behalf of the  
Petitioner to pass appropriate urgent ameliorative orders and  
directions under sections 241 and 242 of the Companies Act, 2013  
as prayed for to bring an end to the abovementioned acts of  
oppression and mismanagement perpetrated by the Respondents.

Kindly accept and acknowledge the same.

Yours faithfully,



Kaustubh Gupta

Advocate for Petitioner

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI

COMPANY PETITION NO. OF 2023

Reshma Riyaz Ganji

...Petitioner

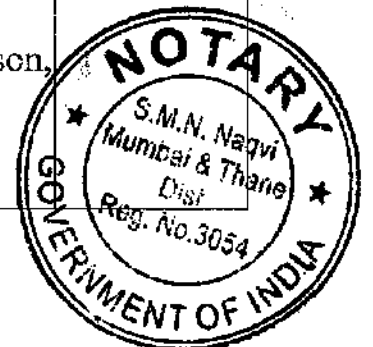
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Libas Consumer Product Ltd & Ors.

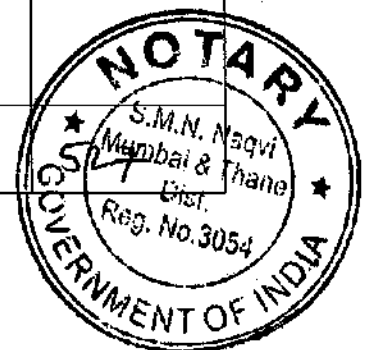
...Respondents

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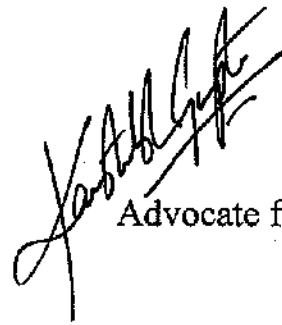


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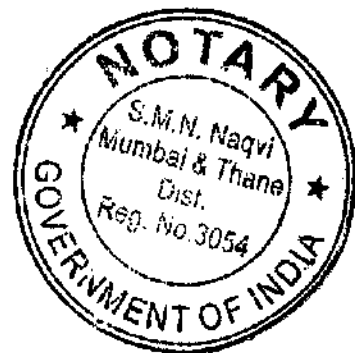


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Dated this                      day of June, 2023



Advocate for Petitioner



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI

COMPANY PETITION NO. OF 2023

Reshma Riyaz Ganji

...Petitioner

V/s.

Libas Consumer Product Ltd &amp; Ors.

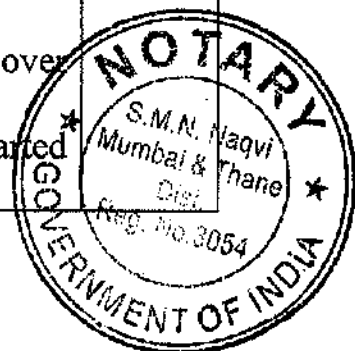
...Respondents

**SYNOPSIS**

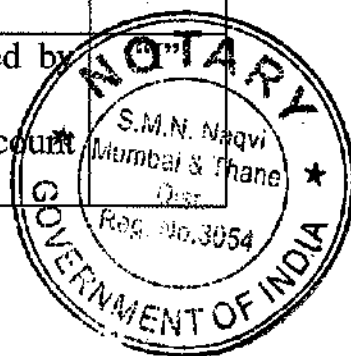
Sr. No.	Date	Particulars	Ex.
1.	14 <sup>th</sup> July, 1995	The Petitioner married Respondent No.2. In or around 1996, the Petitioner started a partnership business for the design and manufacture of apparel along with her husband (Respondent No.2) and Respondent No.3.	
2.	10 <sup>th</sup> November 2004 , 2008	The business was initially incorporated on this day as Libas Designs Pvt. Ltd. under the provisions of the Companies Act, 1956 ("Company"). The said Company was converted into a public limited company and became the Company	"A"
3.		The Petitioner given her expertise in the fashion industry was the Head Designer and handled the design and manufacture work from end-to-end, i.e. from sketching	



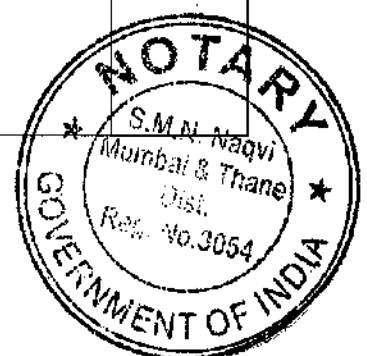
		and finalising the designs to tailoring and getting the finished designer product from the workers. The Respondent No. 2 handled the marketing of the products and business development.	
4.	26 <sup>th</sup> July 2016	The Company was considering making an (IPO). And the Petitioner was appointed as a Managing Director in the Company for the first time. The Prospectus for the IPO falsely claimed that she had not received any remuneration prior to 2016 as she had only joined the company in 2016-17. This was a factually incorrect position.	"B"
5.		In the IPO prospectus, the Petitioner was listed as having received the remuneration over the years. However, the same has never been realised by the Petitioner.	"C"
6.		Petitioner's marriage was marked by frequent acts of domestic violence, physical and verbal abuse, and acts from cruelty and infidelity with different women from her husband. Her husband exerted not only physical but also financial domination over her. Despite the Company being started	



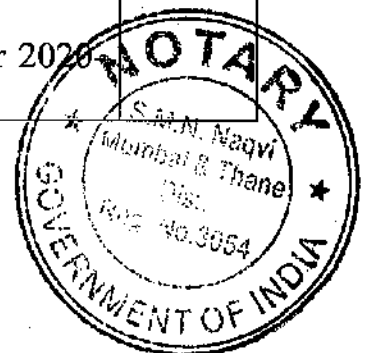
		based on her idea and run on her expertise, and despite her 25% contribution of the initial share capital, she was not at first made a shareholder in the Company.	
7.	1 <sup>st</sup> December, 2022	The petitioner, sent a notice of divorce through her Advocates to Respondent No.2.	"D"
8.	4 December 2022	Respondent No.2 removed the Petitioner from all the WhatsApp groups, thereby preventing her from doing her job.	
9.	16 <sup>th</sup> / 17 <sup>th</sup> December 2022	The Respondent No. 2 has deleted important personal and company email correspondence.	"E"
10.	22 <sup>nd</sup> December, 2022 and 11 <sup>th</sup> January, 2023	The Petitioner filed a complaint through her Advocates with the Oshiwara Police Station and Cyber Crime Cell, Bandra.	"F" and "G"
11.	2 <sup>nd</sup> January, 2023	Respondent No.3 filed a false complaint against the Petitioner at Respondent No.2's instance, alleging that she misappropriated Rs.2.80 crores given to her by him.	"H"
12.	11 <sup>th</sup> April 2023	On account of a false complaint filed by Nishant Mahimtura , HDFC bank account	



		2021 confirms the same.	
16.	1 <sup>st</sup> September to 10 <sup>th</sup> March	Charts showing the daily closing price of the Company's shares.	"M" (Colly)
17.	14 <sup>th</sup> February 2023	The Board of Directors of the Company without the Knowledge of the Petitioner decided to sell an office of the company located at Andheri and close one of the two outlets of the company located at Juhu which is a popular location, hence the closure will be devastating to the company's business.	"N"
18.	22 <sup>nd</sup> April 2023	The Petitioner addressed an email to the Board of Directors of Company, explaining that she was not voluntarily avoiding coming to the office, but rather, she gravely feared for her life and safety from Respondent No.2 and she had been removed from all Company related WhatsApp groups by him. She requested that she be permitted to work remotely.	"O"
19.	8 <sup>th</sup> June 2023	Respondent No.2 sent the Petitioner a Special Notice under Section 169 read with Section 115 of the Act for her removal as Managing Director.	"P"

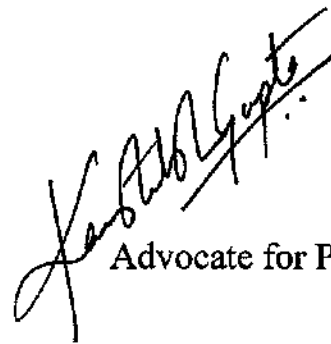


		of the petitioner was freezed and later was defrezzed by an order passed by the Magistrate.	
13.	28 <sup>th</sup> December 2022	The Petitioner addressed an email to the Company, objecting to the Board meeting announced and to the proposal to appoint three directors without any justification or recommendation from the Company's Nomination and Remuneration Committee in contravention of the Act and the SEBI. The petitioner was denied access to the meeting and despite the illegality, two additional Directors were appointed.	"J"
14.		Respondent No.2 announced Ms. Mamta Kapur as the Head designer to the board and also to the public at large via. an Instagram post given the she had no knowledge of production compared to the petitioners wealth of knowledge and experience.	"K"
15.		Respondent No.2 has caused the Company to enter into transactions worth crores of rupees with all of his companies. A Copy of the Company's Annual report for 2020	"L"

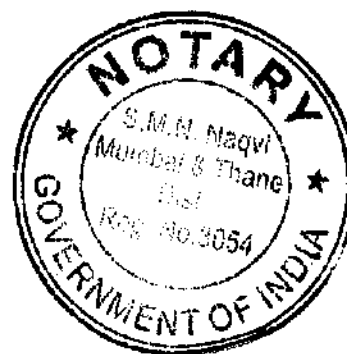


		The Petitioner addressed a Reply rejecting the misconceived and baseless allegations foisted and placed on record the true and correct facts. A copy of the Letter.	"Q"
20.		The aforesaid Acts of oppression against the petitioner and mismanagement in conducting the business affairs by Respondent No.1 are causing grave harm to the petitioner. Hence this petition.	

Dated this                      day of June, 2023



Advocate for Petitioner



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI

COMPANY PETITION NO.

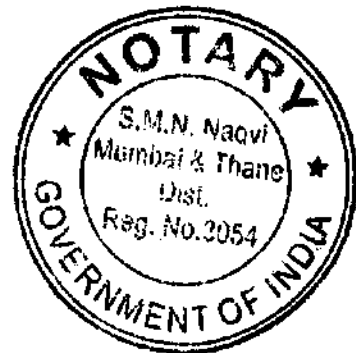
OF 2023

In the matter of Section 241 and  
242 read with Section 244 of the  
Companies Act, 2013

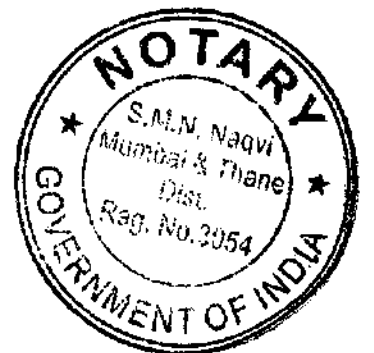
Reshma Riyaz Ganji )  
DIN No. 07576582 )  
1103, A wing, Duplex Heights, )  
Yamuna Nagar, Andheri West, )  
Mumbai – 400053 ) ... Petitioner

Versus

1. Libas Consumer Products Ltd. )  
CIN No. L18101MH2004PLC149489 )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )  
2. Mr. Riyaz Eqbal Ahmed Ganji )  
DIN No. 02236203 )  
1103, A wing, Duplex Heights, )  
Yamuna Nagar, Andheri West, )  
Mumbai – 400053 )  
3. Mr. Nishant Mitrasen Mahimtura )



- 4B, Peddar Road, Chandan 62-B )  
Mumbai 400026 )
4. Ms. Kalpana Kumari )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )
5. Mr. Ashish Anil Dubey )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )
6. Mr. Rishi Rajnikant Sharma )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )
7. Ms. Pooja Sanjiv Hindia )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )
8. Ms. Nita Sunil Mishra )  
401, 4th Floor, Crecent Royale, )  
Off New Link Road Lokhanwala, )  
Andheri (West), Mumbai 400053. )



9. Mr. Tarpan Shah )  
 Age:- Not known, )  
 Occupation:- Company Secretary )  
 Having office address at )  
 Libas Consumer Products Ltd. )  
 401, 4<sup>th</sup> Floor, Crecent Royale, )  
 Off New Link Road Lokhanwala, )  
 Andheri (West), Mumbai 400053. )... Respondents

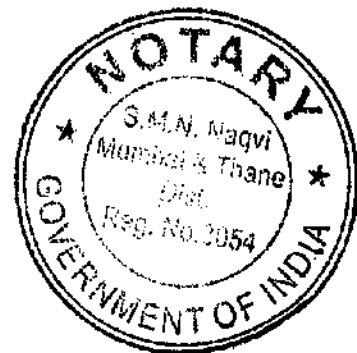
**MOST RESPECTFULLY SHOWETH:**

1. The Petitioner has filed this Petition under Sections 241 and 242 of the Companies Act, 2013 (“Act”) for acts of oppression and mismanagement committed by Respondent No.2 (Mr. Riyaz Eqbal Ahmed Ganji) and other directors of Respondent No.1 (“Company”) which are prejudicial not only to the Petitioner but to all shareholders of the Company.

**(I) JURISDICTION OF THE TRIBUNAL:**

2. The Petitioner declares that the registered office of the Respondent No. 1 is situated at 401, 4<sup>th</sup> floor, Crecent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai-400 053 and is within the territorial jurisdiction of the National Company Law Tribunal (“NCLT”), Mumbai Bench.

**(II) LIMITATION:**



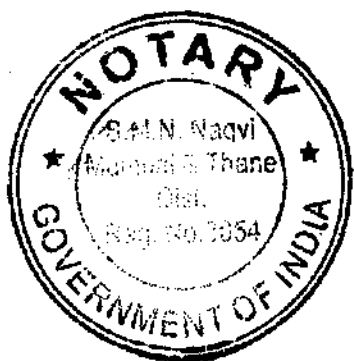
3. The Petitioner declares that the present Petition is within limitation.

**(III) FACTS OF THE CASE LEADING TO THE PRESENT PETITION:**

4. The Petitioner is a Co-founder and Managing Director of the Company. She is a celebrity fashion designer with over 27 years of rich experience in designing high-end clothing and in styling. She completed her Bachelor in Textiles degree from Nirmala Niketan College, Mumbai and her Master's degree from the Indian Institute of Fashion, Bengaluru. By her efforts, the Company has had three stores in Mumbai (i.e., at Peddar Road, Juhu, and Lokhandwala) along with three fabrication units, two shops at Delhi, and one each in Ludhiana, Hyderabad, and Indore, and designs for large retail clothing brands like Provogue, Pantaloons and Big Bazaar.

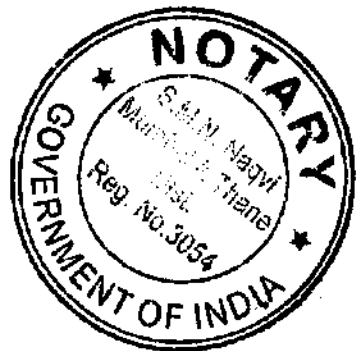
5. On 14 July 1995, the Petitioner married Respondent No.2. In or around 1996, the Petitioner started a partnership business for the design and manufacture of apparel along with her husband and Respondent No.3. The first shop was situated at Peddar Road, Mumbai and soon expanded to two shops and a factory.

6. The business was initially incorporated on 10 November 2004 as Libas Designs Pvt. Ltd. under the provisions of the Companies Act, 1956 ("Company"). The said Company was converted into a public limited company and became the



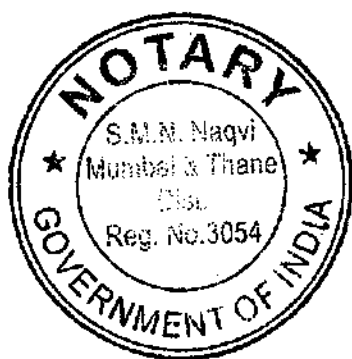
Company. A copy of the Master Data of the Respondent No. 1 obtained from the website of Ministry of Corporate Affairs ("MCA") is hereto annexed and marked as EXHIBIT "A".

- 7. The Company was started with capital of Rs.8,00,000/- (Rupees Eight Lakhs). The Petitioner contributed Rs.2,00,000/- (Rupees Two Lakhs Only), which was given to her by her father. The Respondent contributed another Rs.2,00,000/- (Rupees Two Lakhs only) from their joint savings, and Rs.4,00,000/- (Rupees Four Lakhs only) was invested by Mr. Nishant Mahimtura (currently the chairman of the Company).
- 8. The Respondent Nos. 2 to 8 are the Directors of the Respondent No. 1 Company. The Respondent No. 9 is the Company Secretary and is a proper and necessary party in the present Petition as he is actively involved in the affairs of the Company.
- 9. Right from the Company's inception, the Petitioner given her expertise in the fashion industry was the Head Designer and handled the design and manufacture work from end-to-end, i.e. from sketching and finalising the designs to tailoring and getting the finished designer product from the workers. She attended to all the clients, including consulting with them as to their preferences and choices. She inter alia handled the processing of orders. Respondent No.2 on the other hand has no formal education in fashion design and had only done apprenticeship before starting the business. He handled the

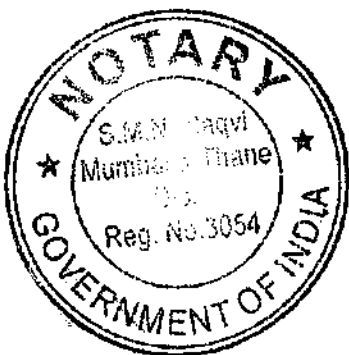


marketing of the products and business development. He predominantly attended the Peddar Road store while the Petitioner managed business affairs between stores and factory. Even at present, he spends most of his time running other businesses, namely Reserve Wines Pvt. Ltd. (which imported intoxicating spirits) and See My Brand Pvt. Ltd. and Golden Bricks Infrastructure Pvt. Ltd. (which imports, manufactures and packages rock salt).

10. The Petitioner's marriage was marked by frequent acts of domestic violence, physical and verbal abuse, and acts from cruelty and infidelity with different women from her husband. Her husband exerted not only physical but also financial domination over her. Despite the Company being started based on her idea and run on her expertise, and despite her 25% contribution of the initial share capital, she was not at first made a shareholder in the Company. Instead, the 10,000 shares of Rs.10/- face value were shown as having been subscribed to by Respondent No.2 (5,000) and Mr. Nishant Mahimtura (5,000). They also formed the Board of Directors and exerted financial control over the Company to the Petitioner's exclusion. They drew remuneration as directors, which was not given to the Petitioner. In fact, the Petitioner was initially not paid any salary beyond meagre amounts required for household expenses on the basis that the remuneration drawn by Respondent No.2 belonged to them both.



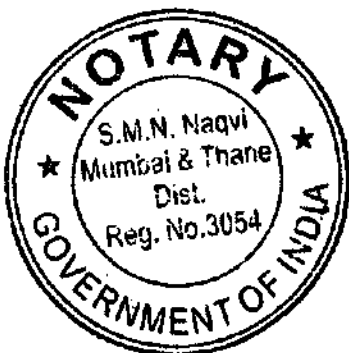
11. The Company also only registered trademarks with the name "Libas Riyaz Gangji" so as to incorrectly portray that Respondent No.2 was the sole owner of the business and responsible for all its designs and products. Respondent No.2's photograph alone was displayed on the cover of the annual reports of the Company. The Company also filed applications in the Petitioner's name for a trademark on "Libas Reshma Gangji" but did not pursue the application and allowed it to remain on "Objected" status. The Petitioner craves leave to refer to printouts of the Trademark Registry's website showing the registration status of the abovementioned trademarks.
12. It was only in 2008 that the Petitioner was finally made a shareholder. The Company issued 9,90,000 shares of face value Rs.10/-, and the three shareholders came to have almost the same shareholding pattern as their initial capital contribution: the Petitioner held 2,50,000 shares, Respondent No.2 held 2,45,000 shares, and Mr. Mahimtura held 4,95,000 shares.
13. In 2016, the Company was considering making an Initial Public Offering (IPO). In anticipation of that, the Petitioner was appointed as a director in the Company for the first time on 26 July 2016. She was appointed as the Managing Director. However, the Prospectus for the IPO falsely claimed that she had not received any remuneration prior to 2016 as she had only joined the company in 2016-17. This



was a factually incorrect position. Hereto annexed as **EXHIBIT "B"** is a copy of the Prospectus issued by the Company.

14. On 14 September 2016, the Company was converted into a public limited company and its name was changed to Libas Designs Limited and then to Libas Consumer Products Limited (what it is presently). A fresh Certificate of Incorporation was issued on 20 September, 2016. The Petitioner craves leave to refer to the fresh certificate of incorporation as and when produced.
15. On 27 December 2016, the Company's IPO was opened and the Promoter Group (comprising the Petitioner, Respondent No.2, and Nishant Mahimtura) proposed to divest 30.22% of the Company's shares with an issue size of Rs.13.60 crores.
16. In the IPO prospectus, the Petitioner was listed as having received the following remuneration over the years. However, the same has never been realised by the Petitioner. Arbitrary amounts were transferred into her account and then withdrawn by Respondent No.2 for Company expenses and other expenses.

Year	Remuneration as per Prospectus	Net amount actually received
2012	6,00,000	5,90,086
2013	7,20,000	6,22,200
2014	9,80,000	4,49,300
2015	10,20,000	6,94,800
2016	16,00,000	9,39,000



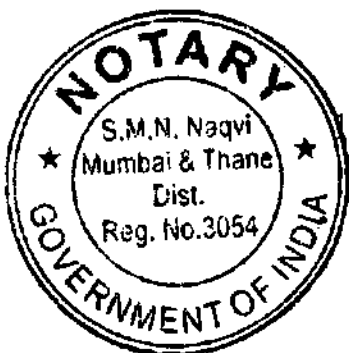
17. In subsequent years, the Petitioner's remuneration was increased on paper. However, neither was the Petitioner informed of this nor did the Petitioner ever actually receive the stated amounts. The Petitioner was assured that her interests and that of the Company would be taken care off.

Year	Remuneration as per Board Resolutions	Net amount actually received
2017	16,00,000	12,05,272
2018	18,00,000	13,87,976
2019	24,00,000	12,00,596
2020	19,80,000	8,30,997
2021	12,00,000	5,75,000
2022	12,00,000	5,00,000

The Petitioner craves leave to refer to the annual reports of the Company reflecting the remuneration that the Petitioner was supposed to receive. The Petitioner further craves leave to refer to certified copies of her bank statements. The Board Resolutions are in the custody of the Respondents.

18. Meanwhile, Respondent No.2 drew a far higher salary, despite not being involved in the design and production of the Company's products. Needless to say, all the below amounts were actually received by Respondent No.2.

Year	R2's Remuneration
2017	Rs. 16,00,000/-
2018	Rs. 18,00,000/-
2019	Rs. 24,00,000/-
2020	Rs. 19,80,000/-
2021	Rs. 12,00,000/-
2022	Rs. 12,00,000/-



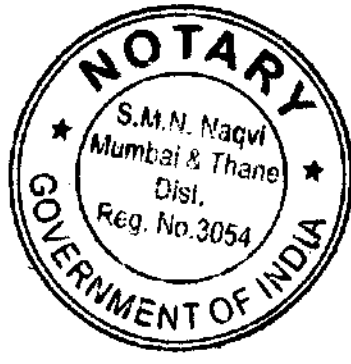
19. On 14 September 2021, the Petitioner was reappointed as Managing Director. Respondent No.2 and Mr. Nishant Mahimtura had been continuing as directors right from the

Company's incorporation, with Respondent No.2 acting as Whole time Director and Mr. Mahimtura as Chairman and Chief Financial Officer.

20. During this period, the Company also announced dividends in the following years. However, the Petitioner did not actually receive the amounts due to her as dividend either.

Year	Dividend receivable	Amounts actually received by Petitioner
2019-20	0.2*18,52,651 = 3,70,530	INR 3,42,740.20 was credited and 11 days later INR 3,42,000 was paid to Golden Bricks
2020-21	0.1*18,52,651 = 1,85,265	INR 2,00,000

21. Marital relations soured given the conduct of Respondent No. 2. The Petitioner faced untold hardships. All along, the Petitioner ensured the Company's performance and delivery on its orders remained unaffected. On or about 2 November 2022, the Petitioner on account of the endless domestic violence inflicted by Respondent No. 2 left her marital home to stay with her parents at Camp, Mangaluru. The Petitioner attended to the Company's affairs remotely and ensured that the personal differences did not prejudice the Company's affairs. On 1 December 2022, she sent a notice of divorce through her Advocates to Respondent No.2. The Petitioner has since filed Petition No. A-178 of 2023 for divorce before the Family Court at Bandra, Mumbai along with a complaint dated 23 December 2022 under Section 498A of the Indian

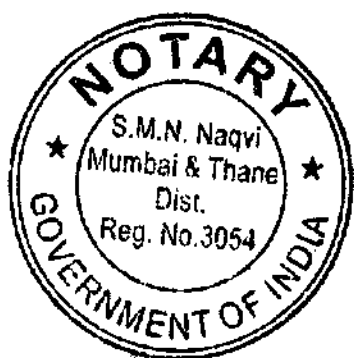


Penal Code, and an application under the Protection of Women from Domestic Violence Act, 2005 and a suit for defamation in January 2023. The Petitioner craves leave to refer to the papers and proceedings of the above matters as and when required. Hereto annexed as **EXHIBIT "C"** is a copy of the divorce notice dated 1 December 2022.

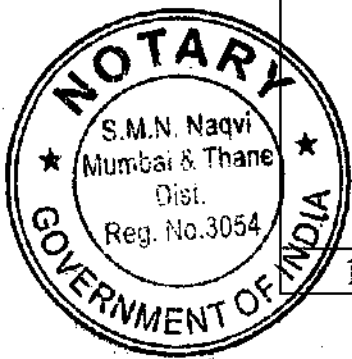
22. As a counter blast and as part of a revengeful stratagem engineered by the Respondent No. 2 to harass the Petitioner, immediately, Respondent No.2 began taking measures to exclude the Petitioner from the Company and her work, with a view to deprive her of financial and other resources, and alienate her from employees as well as customers.

22.1. In a further instalment of the aforesaid stratagem, on 4 December 2022, Respondent No.2 removed the Petitioner from all the WhatsApp groups on which she used to coordinate with the workers, thereby preventing her from doing her job. The details of these WhatsApp groups are below:

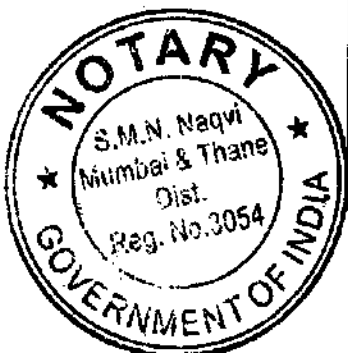
Sr. No	Whatsapp Group	Particulars of the Group
1.	"Libas shoot"	All shoots for online products and publicity shoots for the brand. Coordination was handled with factory staff and design staff.
2.	"Libas Group"	Day to day issues etc. were discussed and handled here including dispatches, deliveries, sales, and production issues.
3.	"Riyaz Ganji Libas"	This group had all managers of Libas. Daily



		sales were reported on it.
4.	"KnG box design"	The group was made to plan and execute the box and packaging for Bamboo innerwear from material to print to information. The vendors making the packaging and Respondent No.2 and Aman were also on this group.
5.	"Design for box"	The group was made to plan and execute the box and packaging for Bamboo innerwear from material to print to information. The vendors making the packaging and Respondent No.2 and Aman were also on this group. The group was created in Aug or September 2022. But the vendor was different as above.
6.	"KnG e-commerce"	This was made for marketing of innerwear. Updates pertaining to online posts were published in the group.
7.	"Kurla fort / factory"	The factory staff and/or interns would be in this group. Details of production and design of order pieces were discussed.
8.	"Bamboo production"	The third-party factory owner was in this group and production details and delivery and payment etc. were handled on it.
9.	"Libas Charity"	This contained details of payments made towards the medical expenses of needy people.
10.	"Dubai Libas"	Day to day issues, etc. relating to the Company's Dubai business were discussed and handled including dispatches, deliveries, sales, and production issues.
11.	"www.libasfashion.ae"	This group was for



		designing the website for the Company's Dubai business. It was not an active group but the Dubai partners' representatives were on the group.
12.	"Como ahead"	Coordination with a Goan apparel line which has stores across Goa was done thorough this group. Libas was in discussions with them for creating a lounge collection for the store.
13.	"Delhi TM case"	Respondent No.2 added the Petitioner to this group after receiving the Divorce notice and asked the Petitioner to attend to it as she was the Managing Director. However, Petitioner have never intimated of details of the case or its proceedings. It appears that this was a case filed against the Company and pursuant to orders of the court, the Company was required to take certain action. The Petitioner was only given updates as to what was needed to be done technically, e.g. changing boards / labels, etc.
14.	"SUD policy"	Details of two large life insurance policies in the names of Petitioner and Respondent No.2 were discussed in this group. Accounts Manager Suresh was also in the group, and payment dates etc. would be told to him as the registered mobile number was that of the Petitioner and she would receive relevant notifications on it prior to Respondent No.2 hacking her phone.
15.	"Listing 2022 "	It was for listing Golden

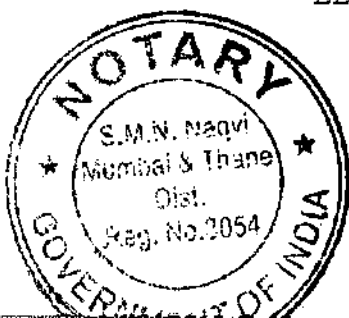


		Bricks products on online websites and offline stores.
16.	"Golden Bricks Dmart"	The group gave updates on deliveries and samples developed for Dmart. Petitioner was added to it only in late 2022.
17.	"Libas Email and password"	It was for managing google workspace items and email ids and password for all google company accounts were made. The payments for this were made from her credit cards.
18.	"Online Processing group"	It was used to coordinate between factory, stock manager and online sales person for deliveries and sales
19.	"KNG"	It was used for development of product, product packaging, shoot and images for online marketing.

There were also groups named "KNG", "Libas email and password", and "Online processing group"

22.2. Shortly thereafter, Respondent No.2 appears to have hacked into her email account [reshma@libas.co.in](mailto:reshma@libas.co.in) and began sending emails under her name to Board members and employees falsely stating that she was unavailable and unable to do her work. He also sent defamatory messages to her personal contacts. He also deleted key email correspondences to Respondent No. 3 where she had questioned the decisions regarding company affairs.

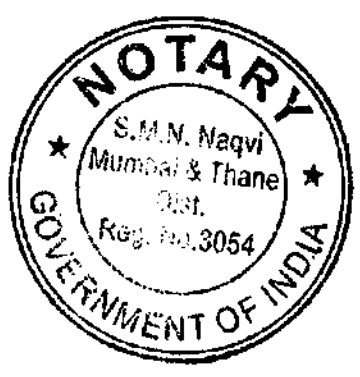
22.3. On 6 December 2022, Respondent No.2 had one of the Petitioner's credit cards blocked. Overdue payments accrued on the other credit card as Respondent No.2 had blocked the



Petitioner's cellular connection. The Petitioner used the credit cards both for her personal expenses as well as business expenses. The major expenses on the last credit card bill were from the Respondent No. 2's trip to Thailand. The decision of making payments for any invoices or bills was in control of Respondent No. 2. Petitioner was classifying the business as well as personal expenses while submitting the credit card bills to the Accounts department of the Respondent No. 1.

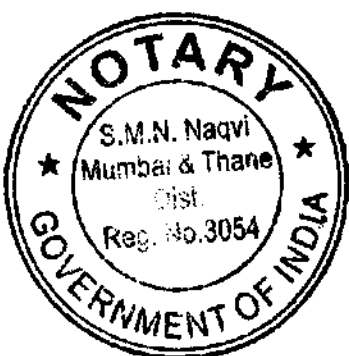
22.4. On 10 December 2022, Respondent No.2 through his Advocate sent a notice for restitution of conjugal rights under Section 9 of the Hindu Marriage Act, 1955. The Petitioner craves leave to refer to Respondent No.2's Advocate's notice dated 10 December 2022. It bears mentioning that the constitutionality of this provision is doubtful and a challenge to the same is currently pending before the Supreme Court.

22.5. On 16/17 December 2022, it appears that Respondent No.2 went to the Airtel Gallery, cancelled the Petitioner's SIM card, and obtained a new one under the false pretext that the old one was lost. Using the same, he hacked into the Petitioner's personal accounts including her email and Facebook account. He deleted important personal and company email correspondence. He also sent obscene messages on Facebook and WhatsApp to her friends and acquaintances to manufacture a case for the divorce



proceedings that have since been initiated by the Petitioner. Hereto annexed as **EXHIBIT "D"** are screenshots of the Petitioner's Gmail account, showing logins from devices that match those owned by Respondent No.2, the Petitioner's son, and the Accounts Manager. Simultaneously, by deactivating the Petitioner's SIM card, Respondent No.2 blocked the Petitioner's access to her WhatsApp account and messages. The Petitioner, on learning of this misuse of her accounts, promptly filed a complaint through her Advocates with the Oshiwara Police Station and Cyber Crime Cell, Bandra. Her statement has since been recorded. Hereto annexed as **EXHIBIT "E"** and **EXHIBIT "F"** are copies of her complaint dated 22 December 2022 and 11 January 2023.

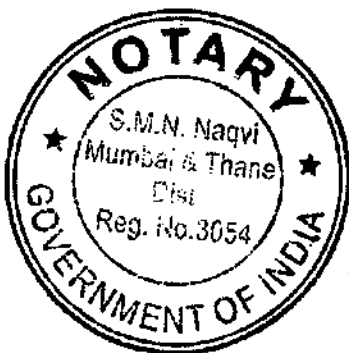
22.6. On 20 December 2022, Respondent No.2 called a meeting of the Company's Board of Directors to be held on 28 December 2022 for the appointment of an additional director (the Petitioner and Respondent No.2's son) and two additional independent directors. This was sought to be done without there being any recommendation from the Company's Nomination and Remuneration Committee. This course of conduct was in contravention of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018. These proposed appointments were never discussed with the Petitioner. It was apparent that this was an



attempt by Respondent No.2 to increase the number of Board members who would support him.

22.7. On 2 January 2023, Mr. Nishant Mahimtura (Respondent No.3) filed a false complaint against the Petitioner at Respondent No.2's instance, alleging that she misappropriated Rs.2.80 crores given to her by him. Hereto annexed as EXHIBIT "G" is a copy of the FIR registered on the complaint filed by Respondent No.3.

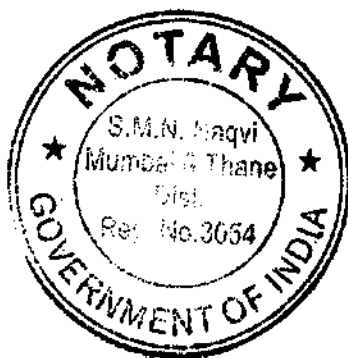
22.8. The complaint as set out in the FIR is a concoction of falsehoods and ex facie mala fide. In a complaint against the Petitioner, it strenuously repeats several times that Respondent No. 2 did not know nor was involved in the alleged crime. Respondent No. 2 received a call from Nagpada Police Station, Zone II that it was alleged that the Petitioner stole jewellery and money from her own house even though it was Respondent No. 2 himself dropped her at the airport when she left for her parents place. After the Police did not entertain his complaint, Respondent No. 2 through Mr. Mahimtura filed another Complaint. The contents of the Complaint lack any substance of truth or merit which is borne out from the fact that she received cheques from Mr. Mahimtura and promptly deposited the money in the bank account whose details were known to Mr. Mahimtura and then waited for a month to purchase shares on the same day when the subscriptions of Rights Issues was disclosed.



22.9. The true and correct facts are that the Company floated a letter of offer for a rights issue on 12 September 2022 for 88,20,000 fully paid-up shares of face value of Rs.10. Existing shareholders were eligible to subscribe, and Mr. Mahimtura, who had disinvested from the Company in December 2021, was not eligible. Hence, he along with Respondent No.2 in concert hatched a plan to use the Petitioner's account as a conduit whereby Mr. Mahimtura would pay the Petitioner Rs.2.80 crores to purchase the Company's shares in her own name and in exchange, Respondent No.2 would transfer shares in Golden Bricks to him. Needless to add that Mr. Mahimtura was actively involved in the Right Issue subscription and the Board meetings thereafter.

22.10. On 26 December 2022, to the Petitioner's further shock and dismay, received a letter from HDFC Bank that a debit freeze had been placed on her bank accounts on account of Nishant Mahimtura's false complaint. Similarly, all her bank accounts and fixed deposits have been frozen by Gamdevi Police Station. A table setting out details the Petitioner's bank accounts is given below:

Sr. No.	Bank Name	A/c. No.	A/c. Type
1.	HDFC Bank	13571000008629	Savings
2.	Standard Chartered Bank	24310132978	Savings
3.	Bank of India	17310110002260	Savings
4.	Union Bank of India	318902010076040	Savings
5.	State Bank of India	41542634887	Savings
6.	HDFC Bank	39424453	Demat

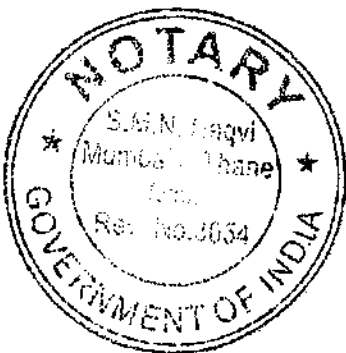


7.	Central Bank of India	1181217464	Savings
8.	Central Bank of India	5146556363	Savings
9.	Central Bank of India	5146537816	Savings

A table setting out details the Petitioner's fixed deposits is given below:

Sr. No.	Bank Name	FD A/c. No.	Receipt No.
1.	Central Bank of India	5147298059	470395
2.	Central Bank of India	514662219	470385
3.	Central Bank of India	5147297566	470400
4.	Central Bank of India	5147297555	470399
5.	Central Bank of India	5147297544	470398
6.	Central Bank of India	5147298093	470397
7.	Central Bank of India	5147298082	470396
8.	Central Bank of India	5169457061	470665
9.	Central Bank of India	5169456884	470666
10.	Central Bank of India	3065146910	414064
11.	Central Bank of India	3051811225	414065

23. By an Order dated 11 April 2023, the Hon'ble Metropolitan Magistrate, 40<sup>th</sup> Court, Girgaon, Mumbai directed defreezing the Petitioner's bank accounts subject to providing a bank guarantee for an amount of Rs.2.80 crores. Hereto annexed as **EXHIBIT "H"** is a copy of the Magistrate's order dated 11 April 2023. The Petitioner has challenged the condition of deposit by filing a Writ Petition before the Hon'ble Bombay High Court. The said Petition is pending. The Petitioner was granted anticipatory bail in the matter on 29 April 2023. The



Petitioner has also filed a petition for quashing the false complaint under Section 482 of the Code of Criminal Procedure. The Petitioner craves leave to refer to the papers and proceedings relating to the above complaint as and when required.

24. Already, as on the date of the Petitioner's divorce notice, i.e. 1 December 2022, the Company had not paid the Petitioner's salary for December 2022. Since then, the Company has stopped paying the Petitioner even a single rupee of her salary.
25. On 28 December 2022, the Petitioner addressed an email to the Company, objecting to the Board meeting announced and to the proposal to appoint three directors without any justification or recommendation from the Company's Nomination and Remuneration Committee in contravention of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018. She informed the Board about the harm that Respondent No.2 was doing to the Company by sidelining its Managing Director and Head Designer purely to gain an advantage in the pending matrimonial dispute. She objected to the participation of independent director Mr. Ashish Dubey, as he was representing and consulting Respondent No.2 as an advocate in the Petitioner's divorce proceedings and in several other legal matters.

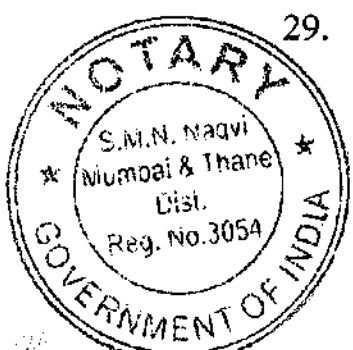


26. Respondent No.2 replied the same day, falsely accusing the Petitioner of "absenteeism" and being "absconding". He falsely alleged that the Petitioner was ill. He also baselessly accused the Petitioner of taking away funds belonging to the Company. Respondent No.2 sought to threaten that the Company would replace the Petitioner as Head Designer.

27. The Petitioner attempted to join the Board meeting scheduled for that day virtually. However, the link to the virtual meeting was never given to her and she was denied access in blatant violation of Section 173(2) of the Act read with Rule 3 of the Companies (Meeting of the Board and its Powers) Rules, 2014. She sent another email of the same day recording the true and correct facts.

28. Despite this illegality, two additional directors, viz. Kalpana Kumari (Respondent No. 4) and Pooja Sanjiv Handia (Respondent No. 7), were appointed. This was done purely with a view to further sideline/ostracize the Petitioner and increase support on the Board for Respondent No.2's autocratic style of functioning. The Petitioner and Respondent No.2's son Aman was ultimately not appointed. Hereto annexed as EXHIBIT "I" is a printout from the MCA website reflecting the names and dates of appointment of the Company's directors.

29. It is pertinent to note that the Company has been holding virtual AGMs, including on 23 September 2022, and hence, there was no justification for refusing to permit the Petitioner

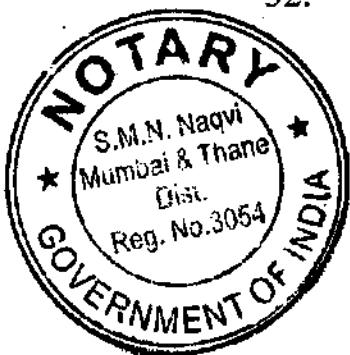


to attend the Board meeting virtually. The Petitioner craves leave to refer to disclosures in this regard made to stock exchanges from time to time by the Company.

30. The Petitioner also realised that the domain mail server for the Company's website libas.co.in was expiring. The renewal fees for the same had always been paid by her and using her credit card. However, she was unable to renew the same as her card had been blocked by Respondent No.2. She sent another email to the Board, requesting an alternate card to renew the domain mail server in light of Respondent No.2's illegal actions.

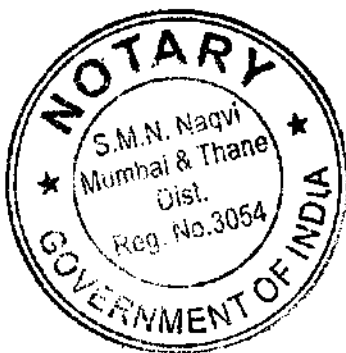
31. Respondent No.2 did not address any of the Petitioner's contentions, instead announcing to the Board that the store manager of the Company's Peddar Road shop, Mamta Kapur, had been appointed as the Head Designer for the Company. This was also announced to the public at large via a post on Instagram. This was an illogical decision that would only be to the detriment of the Company, given that Mamta Kapur had no knowledge of production as against the Petitioner's wealth of knowledge and experience. Hereto annexed as **EXHIBIT "J"** is a screenshot showing the Instagram post uploaded on 3 Jan 2023.

32. Respondent No.2 sent another email the next day, i.e. 29 December 2022, demanding that the Petitioner hand over the domain details on the pretext that she "[did] not intend to join libas [the Company]". He also claimed that her phone



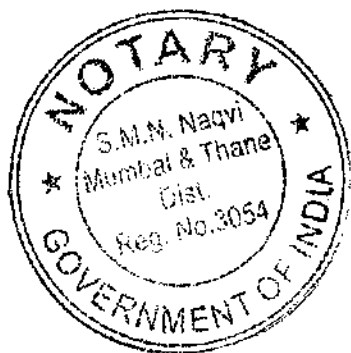
number was not hers at all, but belonged to the Company and that Respondent No.2 somehow had the right to unilaterally seize control of it. He falsely claimed that there was an investigation ongoing regarding the Petitioner's so-called taking of Company cash.

33. In fact, not only was there no such thing done by the Petitioner, but Respondent No.2 falsely represented Mr. Mahimtura's complaint, which concerned his personal funds, as being related to Company money. The statement was simply to prejudice the minds of the Board of Directors against the Petitioner.
34. On 1 January 2023, Respondent No.2 changed the name of a brand of bamboo-based undergarments which was entirely researched, designed, and developed by the Petitioner, from "KNG by Reshma and Riyaz Ganji" to "KNG by Aman Ganji". Therefore, Respondent No.2 portrayed the brand as having been designed by the son of the Petitioner and Respondent No.2, even though he has no degree or experience in fashion / textile design.
35. On 4 January 2023, the Petitioner once again sent an email pointing out that the Company's domain <libas.co.in> was expiring and request that the same be renewed. However, the Company once again denied the Petitioner's request. Ultimately, the domain lapsed, causing all previous email correspondence to be lost. The Company re-acquired the domain, and the Accounts Manager Suresh was made the

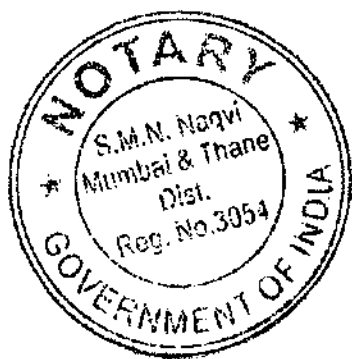


administrator instead of the Petitioner. An account for the Petitioner was created in name and the Petitioner was initially not given access to it. Respondent No. 2 provided the Petitioner a different email and not the existing one which was used by her since the last 7 years. The Petitioner later did not accept the new email id created by Respondent as she was unsure about the security of the email since it had been manipulated before it was offered to her.

36. In January 2023, the Petitioner was unable to do any work as she was consumed with the misconceived legal proceedings foisted upon her by Respondent No. 2 and required to file an application for anticipatory bail in the false case against her registered at Respondent No.2's instance, and also filed her divorce petition and an application under the DV Act. All the while, Respondent No.2 sent the Petitioner threatening messages. The Petitioner craves leave to refer to the same as and when required.
37. On 4 February 2023, Respondent No.2 called another meeting of the Board to be held on 14 February 2023. On 7 February 2023, the Petitioner again requested a link to attend the Board meeting virtually.
38. On 14 February 2023, Respondent No.2 threatened to exit the Company by selling his stake, with the full knowledge of the effect of a Promoter exit on the share price of the Company. He alleged that the Petitioner's holding was "in dispute".



39. The Company Secretary of the Company replied on the same date, cautioning Respondent No.2 that a sale by the Company's promoter would have an adverse effect on the share price and could result in a loss of trust among the Company's investors.
40. Respondent No.2 sent a flippant reply, expressing his desire to abandon the Company and to take vacations and travel for the rest of his life. He stated that he intended to travel extensively after 21 February 2023.
41. On 14 February 2023, the Petitioner was initially not granted access to attend the Board meeting virtually. By the time she was admitted, some decisions had already been taken, including that the Company would close its workshop and its shop at Juhu. When the Petitioner joined, Respondent No.2 threatened to slap her, hurled abuses at her, and demanded that she resign. He further demanded that she come to Mumbai. When she refused, citing the matrimonial dispute and her fears for her safety, he claimed that she was not performing her job and made further false allegations that some Rs.40 lakhs was owed by her to the Company. He stated that the remuneration due to her as Managing Director would be stopped (in fact, it had been stopped since December 2022). When Mr. Mahimtura and the Company Secretary requested that he maintain decorum, he ignored them. The Petitioner craves leave to refer to the recording of the meeting as and when produced. The Petitioner had



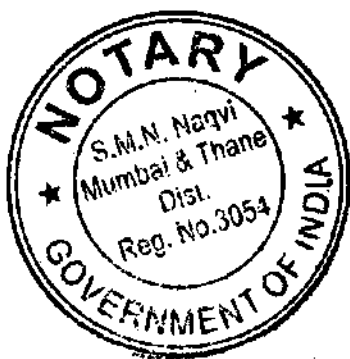
requested had requested the CS for a copy of the recording of the meeting. The request fell on deaf ears.

42. The draft minutes of the meeting held on 14 February 2023 were only circulated by the Company Secretary on 27 February 2023, and which failed to mention any of the statements made by Respondent No.2 against the Petitioner. Respondent No.2 pre-emptively sent an email to the directors, threatening them with legal action if anyone shared the draft minutes with persons outside the Board.

43. On 28 February 2023, Respondent No.2 sent an email through the email address md@libas.co.in (which was rightfully to be operated by the Petitioner but which was always used by the Respondent No. 2). He stated that the Petitioner's remuneration would be stopped and that he would propose to replace her with another director. He demanded that the Petitioner resign from her position as Managing Director.

44. On 1 March 2023, the Petitioner sent an email to the Company Secretary, objecting to the selective and incorrect recording of the minutes of meeting held on 14 February 2023 and his omitting to record Respondent No.2's conduct at the meeting. She requested him to correct the minutes.

45. Respondent No.2 once again ignored the Petitioner's statements and falsely claimed that the Petitioner had been avoiding meetings and work. He informed the Petitioner that



the Company had closed its workshop and its shop at Juhu. He openly threatened the Petitioner that he would have her shares, cash, FDs, bank accounts, and jewellery seized and entangle her in lengthy litigation.

46. Respondent No.2's email dated 1 March 2023 makes it clear beyond any doubt that Respondent No.2's actions were motivated entirely by the matrimonial dispute. He stated:

*"It is in your best interest that you settle your personal issues fast or else we understand that once the Panchama by the police of your possession ie fds, shares, cash, current account, jewellery is done it will all be deposited in court and once that is done you will only receive the amount after the case is decided by the court so you can count 5 to 7 years from now easily before receiving a penny and also you will be on tenterhooks till the case is decided*

*Reshma aapne bahut lafde Kar liye you know it all ,your watsapp chats have left you like a open book still you are given a lot of respect*

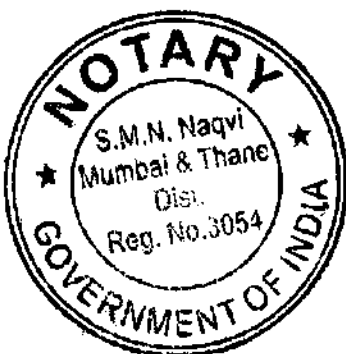
*Reshma I am being very patient with you you have tested my Patiance a lot don't make me lose it completely this is my final request to you*

*You are my wife but looks like you are possessed*

*Tumhara bhoot toh bhagega in a few days or in a few months also remember if I ever see you with kabir that day I will lose it, still you are chatting with him and making plans and dreaming about the truck driver, If that's the case there is more coming for you I am not relenting.*

*If you want respect you know what you have to do."*

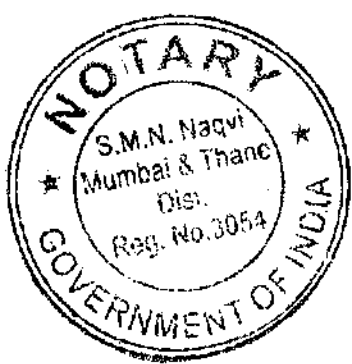
47. On 2 March 2023, the Petitioner requested the release of the remuneration due to her. She stated that she was in need of funds and had to meet expenses for her daughter (who was studying abroad and whose fees Respondent No.2 had already withheld once in the past), yet she had not received any remuneration since December 2022.



48. However, the other Board members and employees were too intimidated by Respondent No.2 and did not help the Petitioner in any way. The Company Secretary sent an email dated 2 March 2023 to the Petitioner stating that Respondent No.2 as Chairman of the Board had discretion over the inclusion or non-inclusion of any matter in the minutes and that the minutes were prepared under his supervision. Needless to add that Respondent No. 3 used to be the Chairman of the meeting but since December Respondent No. 2 presided over all the meetings so that he could manipulate the minutes.

49. From the inception of the business (even prior to the Company's incorporation), its success has been founded on the Petitioner's designs. Respondent No.2 has depended on the Petitioner's designs and has enriched himself at her expense. Following the divorce notice, Respondent No.2 faces the prospect that he will not be able to appropriate the fruits of the Petitioner's creative and intellectual labour for himself, and has thus decided to destroy the Company so as to harm the Petitioner's financial and professional prospects and to satisfy his ego.

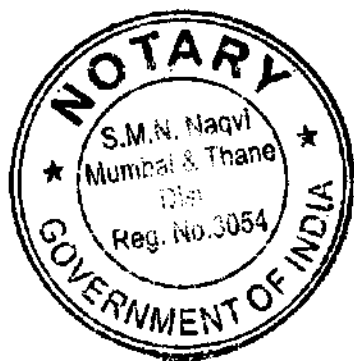
50. Respondent No.2 has hardly had any interest in the Company previously. He runs businesses importing intoxicating spirits through Reserve Wines Pvt. Ltd. (in which he is a director) and See My Brand Pvt. Ltd. (in which Aman, the son of the Petitioner and Factory Incharge at Kurla) and manufacturing



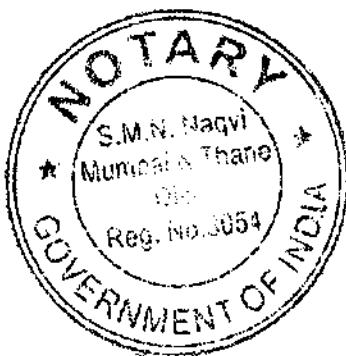
and packaging rock salt through Golden Bricks Infrastructure Pvt. Ltd. (“Golden Bricks”) (in which Respondent No.2 and Nishant Mahimtura are directors).

51. Respondent No.2 has caused the Company to enter into transactions worth crores of rupees with all of his companies. In particular, the Company has paid Rs.6,38,68,774/- (Rs.6.38 crores) in F.Y. 2019-20, Rs.1,24,67,250/- (Rs.1.24 crores) in F.Y. 2020-21, and proposed to pay a further Rs.1,59,42,535/- (Rs.1.59 crores) in F.Y. 2021-22 to Golden Bricks. Hereto annexed as **EXHIBIT “K”** is a copy of the Company’s Annual Report for 2020-21 confirming the same.
52. The Petitioner justifiably believes that Respondent No.2 is siphoning away monies from the Company to his other companies. In particular, Respondent No.2 plans to announce an IPO for Golden Bricks in the very near future. The Petitioner apprehends that the funds for the same have been illegally diverted from the Company.
53. Respondent No.2’s actions have had a disastrous effect on the Company and amounts to oppression and mismanagement.
54. The steady decline in the Company’s share price (precipitated by the conduct of Respondent No. 2) can be observed.

Sr. No.	Month & Year	High (Rs./ share)	Low (Rs./ share)
1.	April 2017	77.40	61.05
2.	May 2017	68.90	54.30
3.	June 2017	64.00	52.00
4.	July 2017	69.70	53.10
5.	August 2017	69.40	61.00
6.	September 2017	94.90	54.15

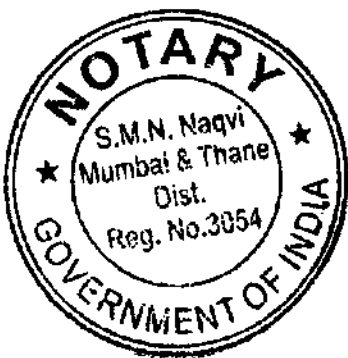


7.	October 2017	94.60	83.45
8.	November 2017	99.80	87.00
9.	December 2017	152.65	93.00
10.	January 2018	147.80	117.05
11.	February 2018	116.05	96.00
12.	March 2018	112.00	81.50
13.	April 2018	125.85	101.10
14.	May 2018	119.70	107.45
15.	June 2018	109.20	89.05
16.	July 2018	113.45	87.80
17.	August 2018	101.90	86.50
18.	September 2018	93.75	57.50
19.	October 2018	58.90	43.30
20.	November 2018	54.10	44.95
21.	December 2018	61.00	48.90
22.	January 2019	59.70	43.70
23.	February 2019	57.35	51.80
24.	March 2019	59.45	52.00
25.	April 2019	56.00	49.65
26.	May 2019	53.55	49.90
27.	June 2019	51.05	50.00
28.	July 2019	58.00	44.65
29.	August 2019	55.65	40.10
30.	September 2019	65.00	54.15
31.	October 2019	66.00	49.00
32.	November 2019	58.00	41.50
33.	December 2019	51.50	43.05
34.	January 2020	51.00	44.60
35.	February 2020	50.50	41.20
36.	March 2020	48.80	42.75
37.	April 2020	34.90	34.90
38.	May 2020	36.40	31.60
39.	June 2020	53.00	36.30
40.	July 2020	54.80	38.20
41.	August 2020	46.60	33.80
42.	September 2020	40.25	28.00
43.	October 2020	39.00	29.50
44.	November 2020	31.50	28.40
45.	December 2020	39.60	28.25
46.	January 2021	50.20	34.00
47.	February 2021	48.85	46.70
48.	March 2021	49.95	45.55
49.	April 2021	53.90	41.00
50.	May 2021	50.20	43.05
51.	June 2021	64.40	50.00
52.	July 2021	76.40	61.25
53.	August 2021	74.30	50.55
54.	September 2021	63.50	49.50
55.	October 2021	54.00	43.65
56.	November 2021	55.25	24.50
57.	December 2021	33.15	28.00
58.	January 2022	34.15	27.80

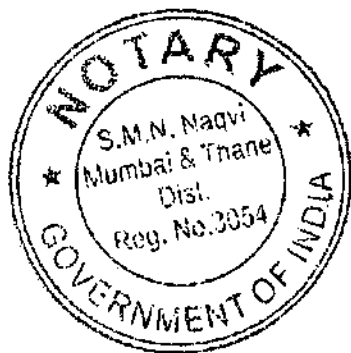


59.	February 2022	31.80	26.00
60.	March 2022	33.45	23.25

55. The share price was hovering at around Rs.20-25 per share prior to 1 December 2022 (the date of the Petitioner's divorce notice) and has since crashed precipitously to around Rs.11 per share as on 10 March 2023. Hereto annexed as **EXHIBIT "L" (Colly.)** are charts showing the daily closing price of the Company's shares from 1 September 2022 to 31 March 2023.
56. Meanwhile, in February 2023, the Board of Directors of the Company have (without including the Petitioner) decided to sell the Company's Andheri Office and close its outlet at Juhu. This is one of only two outlets in Mumbai and is located at a popular location with lots of designer stores. Hence, the closure will be devastating to the Company's business. Hereto annexed and marked as **EXHIBIT "M"** is a copy of a disclosure made on 14 February 2023 by the Company to the National Stock Exchange in this regard.
57. On 22 April 2023, the Petitioner addressed an email to the Board of Directors of Company, explaining that she was not voluntarily avoiding coming to the office and resuming work, but rather, she gravely feared for her life and safety from Respondent No.2 and she had been removed from all Company related WhatsApp groups by him. She requested that she be permitted to work remotely. Hereto annexed as **EXHIBIT "N"** is a copy of the Petitioner's email dated 22 April 2023.



58. On 8 June 2023, Respondent No.2 sent the Petitioner a Special Notice under Section 169 read with Section 115 of the Act for her removal as Managing Director. It is submitted that if she is removed as Managing Director, then Respondent No.2 will be free to take any actions he pleases to destroy the Company, its business, and its share value to the harm, loss, prejudice of the Respondent and the Company. The Petitioner addressed a Reply rejecting the misconceived and baseless allegations foisted and placed on record the true and correct facts. A copy of the Letter dated 8 June 2023 is annexed as **EXHIBIT "O"**. Hereto annexed as **EXHIBIT "P"** is a copy of the notice dated 8 June 2023 sent by Respondent No.2.
59. Respondent No. 2 later on through unofficial email informed the Petitioner that the Board meeting scheduled on 17 June 2023 is cancelled. Thereafter the Respondent No. 9 vide email dated 16 June 2023 informed the Petitioner that the board meeting has been cancelled. It is pertinent to note that the said email was sent by the Respondent No. 9 after the Petitioner enquired about the same. Hereto annexed as **EXHIBIT "Q colly"** are copies of the email 16 June 2023 sent by Respondent No. 9.
60. Respondent No.2 has also claimed that the Petitioner's shares are "disputed", despite her being a Promoter shareholder since 2016. The Petitioner submits that this is to take away her company and her life's work as well as to financially

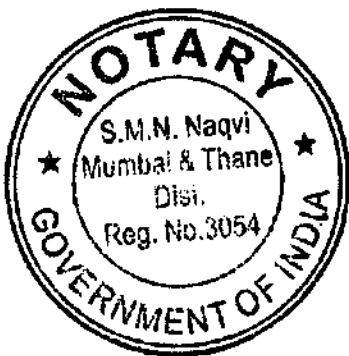


deprive the Petitioner to gain an advantage in the matrimonial dispute.

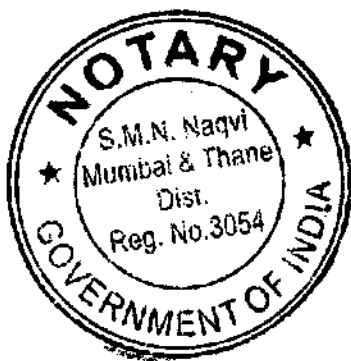
61. In view of the aforesaid compelling facts and the grounds stated below, it shall become evident that the Respondents have indulged in acts of commission and omission that have been oppressive to the Petitioner as a shareholder of the Company and that by attempting to remove the Petitioner as the Managing Director of the Company and illegally and instead fastily excluding the Petitioner from Board Meetings and key decisions of the Company, the Respondents have committed acts of mismanagement that are prejudicial to the interest of the Company and its members.

**GROUND**

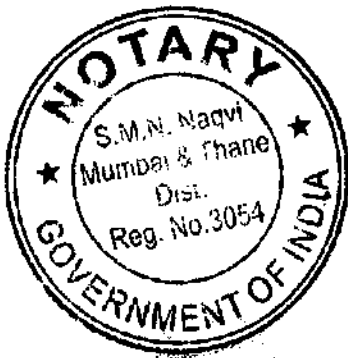
62. The Respondents have belligerently excluded the Managing Director of the Company, i.e. the Petitioner, from the running of the Company.
- (a) The Respondents barred the Petitioner from the Board Meeting held on 28 December 2022 by denying her access to the virtual meeting in violation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018.
- (b) The Respondents initially barred the Petitioner from the Board Meeting held on 14 February 2023 and passed various resolutions in the Petitioner's absence before admitting the Petitioner to the virtual meeting.



- (c) The Respondents created a hostile environment during the Board Meeting held on 14 February 2023 and at other times: Respondent No.2 threatened and verbally abused the Petitioner and made her fear for her life and safety, levelled false allegations against her of owing money to the Company, did not permit the Petitioner to speak, and did not allow the business of the Company to be transacted; the remaining Respondents permitted Respondent No.2 to do so.
- (d) The Respondents have prevented the Respondent from physically returning to take charge of the Company by Respondent No.2 threatening and verbally abusing the Petitioner and making her fear for her life and safety. In fact, the Family Court at Bandra passed a restraining order against Respondent No.2 on 29 March 2023, but on 31 March 2023 itself, i.e. just two days later, when the Petitioner attended the Metropolitan Magistrate's court at Girgaum for defreezing her bank accounts, Respondent No.2 confronted her within the court premises itself and in front of the lady constable assigned to Court Room No.40, barred the Petitioner from leaving the court, and threatened her with dire consequences if she did not withdraw the cases filed by her and return to her marital home. The Petitioner has filed a complaint dated 12 April 2023 with the D.B. Marg Police Station in this regard.

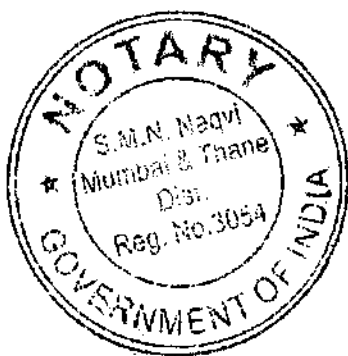


- (e) The Petitioner has been excluded from the business affairs of the Company. On one hand the Respondents have engineered a situation where the Petitioner while trying to work in the Company in its usual course of business is prevented from doing so by being abused and her life endangered by Respondent No. 2 and on the other hand the Respondents allege that the Petitioner has been absenting herself from work. It is apparent that the Respondents have left no stone unturned to deprive the Petitioner of her lawful and legitimate rights, share and entitlement as a shareholder and Managing Director in accordance with law.
- (f) Respondent No.2 removed the Petitioner from the WhatsApp groups through which the Petitioner would communicate with the workers and staff of the Company including the groups named "Libas shoot", "Libas Group", "Riyaz Ganji Libas", and "KnG box design" thereby preventing the Petitioner from carrying out her duties to the Company. In fact, Respondent No.2 has recently instructed the Company's employees not to carry on the business of the Company over WhatsApp to prevent the Petitioner from participating in the same.
- (g) Respondent No.2 had the Petitioner's SIM Card blocked on fraudulent pretexts and hacked into her



personal accounts including her email account, thereby preventing the Petitioner from carrying out her duties to the Company. He continues to impersonate her and send false and defamatory messages to her contacts till date.

- (h) Respondent No.2 blocked the Petitioner's credit card, which the Petitioner used for various business-related expenses and thereby prevented the Petitioner from incurring expenses necessary for the Company's business, including renewing the Company's website's domain name.
- (i) Respondent No.2 usurped control over the Petitioner's Company's email accounts, being reshma@libas.co.in, and has not only prevented the Petitioner from sending and receiving emails necessary to carry out her duties to the Company, but has also sent various false and defamatory emails to third parties in her name and by impersonating her, thereby harming the reputation and interest of the Company.
- (j) The Respondents unilaterally appointed two additional directors to the Company's Board without any recommendation from the Company's Nomination and Remuneration Committee or any prior discussion or justification.



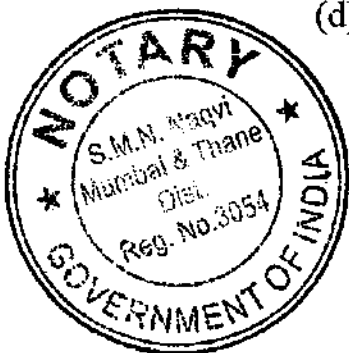
63. The Respondents entered into various transactions with Respondent No.2's related companies without any justification to the prejudice and detriment of the said Company.

(a) A perusal of the company's annual report for the year 2020-21 shows that the Company has paid Rs.6,38,68,774/- (Rs.6.38 crores) in F.Y. 2019-20, Rs.1,24,67,250/- (Rs.1.24 crores) in F.Y. 2020-21, and proposed to pay a further Rs.1,59,42,535/- (Rs.1.59 crores) in F.Y. 2021-22 to Golden Bricks Infrastructure Pvt. Ltd., which is a Company in which Respondent No.2 is a director.

(b) The said annual report also shows that the Company has entered into transactions with Reserve Wines Pvt. Ltd. and See My Brand Pvt. Ltd., which are companies in which Respondent No.2 or his son are directors.

(c) Reserve Wines Pvt. Ltd. and See My Brand Pvt. Ltd. are in the business of importing intoxicating liquor, which has nothing to do with the business of the Company. Therefore, the related party transactions have been done only with a view to benefit Respondent No.2 and his business interests.

(d) The Company is thereby directly enriching Respondent No.2 and various third parties in which Respondent



No.2 is interested without any benefit to the Company or its business.

64. The Respondents through their consistent and belligerent acts of mismanagement are thus causing harm, loss and prejudice to the Company.

(a) The Company has in recent years has been completely controlled by Respondent No.2, during which time the Company's share price has steadily declined.

(b) The Company has decided to sell its registered office at Andheri and close its outlet at Juhu without any justification, prior discussion or circulation of an agenda in which this issue is included.

(c) The Respondents have replaced the Head Designer of the Company, viz. the Petitioner, who founded the business and has been the Head Designer since 1996 and whose designs have been responsible for the success of the Company since its inception.

(d) Respondent No.2 has sent a notice dated 8 June 2023 for the Petitioner's removal as Managing Director alleging that she is not attending office, even though Respondent No.2 has himself precipitated circumstances in which the Petitioner cannot return.



65. The Respondents have taken decisions based only on Respondent No.2's whims and ego.

(a) The Respondents, being directors of the Company, owe a fiduciary duty to the Company and are required to exercise sound and reasoned business sense in the best interest of the Company.

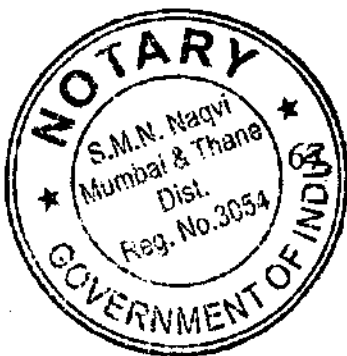
(b) However, the Respondents have allowed Respondent No.2 to take decisions on behalf of the Company solely with a view to gain an advantage in his matrimonial dispute with the Petitioner and to harm her financial and professional interest.

(c) It does not amount to any sound or reasoned business sense to exclude or remove the Company's Managing Director and Head Designer (since the Company's inception) from the business of the Company and meetings of the Board of Directors, etc. and is ex-facie a decision against the best interests of the Company.

(d) The other directors, by complying with Respondent No.2's whims and by failing to act to prevent him from causing harm to the Company or from even protesting or questioning Respondent No.2's decisions are also guilty of harming the Company's interest.

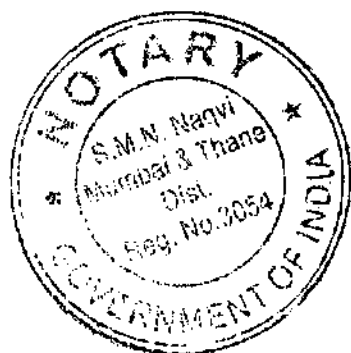
66. The facts of oppression and mismanagement mentioned above are continuous and continue even as on the date of this Petition.

As a result of the acts of oppression and mismanagement committed by the Respondents, the Company and the



Petitioner have suffered irreparable loss, harm and injury. Whereas, the Petitioner has always acted keeping in mind the best interests of the Company.

68. In the circumstances, the Petitioner submits that this Hon'ble Tribunal ought to pass appropriate urgent ameliorative orders and directions under Sections 241 and 242 of the Companies Act, 2013 as prayed for to bring an end to the abovementioned acts of oppression and mismanagement perpetrated by the Respondents.
69. Therefore, the Petitioner submits that it is necessary and in the interest of justice, equity and good conscience that the Hon'ble Tribunal grant the reliefs as prayed for.
70. The Petitioner presently holds 15.12% shares in the Company. The Petition is maintainable under Section 244(1)(a) of the Act at the instance of the Petitioner.
71. The Petitioner has not filed any other Petition, application or proceeding to the reliefs claimed in the present Petition or before any court or tribunal in India.
72. Most of the documents sought to be relied on by the Petitioner are in the possession, custody, and/or control of the Respondents. The Petitioner will be filing appropriate applications for production of the same. However, a list of documents produced by the Petitioner along with the Petition is annexed herewith.



PRAYERS

73. In view of the above, the Petitioner prays that this Hon'ble Tribunal pass appropriate directions/orders:

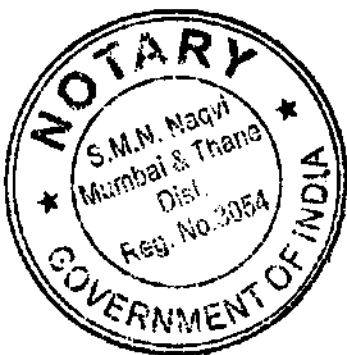
(a) Quash/set aside the Special Notice dated 8 June 2023 under Section 169 read with Section 115 of the Companies Act, 2013 addressed by Respondent No.2 to the Petitioner;

(b) Direct that the Petitioner's access to her work email address and SIM Card and credit cards be restored;

(c) Direct the Respondents to allow the Petitioner unfettered access to any and all Board Meetings henceforth and for the duration that she remains a director of the Company;

(d) Restrain the Respondents from selling the registered office of the Company or any other immovable property and/or moveable property of the Company except in the ordinary course of business and, in the event that the same has been sold at any time after 1 November 2022, declare that the same is illegal, void, and not binding on the Company.

(e) Declare that the appointment of Kalpana Kumari (Respondent No.4) and Pooja Sanjiv Handia (Respondent No.7) as directors of the Company was in contravention of



the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 void are liable to be set aside;

(f) Direct the Respondents to give the Petitioner access (including to make copies) to all the records of the Company, including the Memorandum of Association and Articles of Association, resolutions passed at all meetings of the Board of Directors and General Body, financial records, regulatory filings, etc.;

(g) Direct that the Respondent No. 5 be removed as the Director of the Company;

(h) Pending the hearing and final disposal of this Petition, directing to have an independent Company Secretary or any other fit and proper person to attend the meetings (at the cost of the Petitioner) to ensure free, fair, transparent conduct of affairs at meetings in accordance with law;

(i) Pending the hearing and final disposal of this Petition, restrain the Respondents from passing or moving any resolution for removing the Petitioner as the Managing Director of the Company;



Pending the hearing and final disposal of this Petition, restrain the Respondents from selling the registered office

of the Company or any other immovable/ moveable property of the Company except in the ordinary course of business;

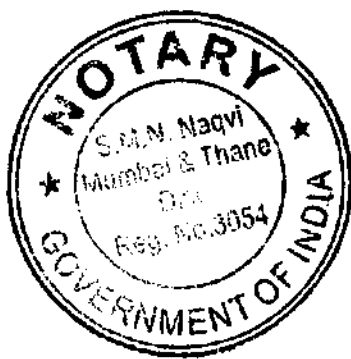
(k) Pending the hearing and final disposal of this Petition, restrain the Respondents from deleting any emails, messages, electronic files, or data from the email addresses md@libas.co.in and reshma@libas.co.in or relating to mobile number 8976006696 (including the associated WhatsApp account);

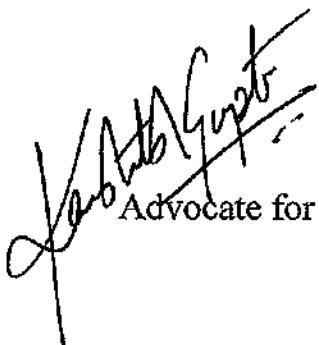
(l) Pending the hearing and final disposal of this Petition, appropriate order directing the Respondents to pay remuneration due to Petitioner from December till date;

(m) Ad-interim relief in terms of prayers clause h to l;

(n) Costs;

(o) Such further and other reliefs as the nature and circumstances of the case may require and as the Hon'ble Tribunal may direct in the interest of justice, equity and good conscience.



  
Advocate for Petitioner

  
Petitioner

VERIFICATION

I, Reshma Reshma Riyaz Ganji, Age:- 49 years, having permanent address at 1103, A wing, Duplex Heights, Yamuna Nagar, Andheri West, Mumbai – 400053, hereby solemnly declare that whatever is stated in the forgoing paragraphs of the Petition is true to my own knowledge and I believe the same to be true.

Solemnly affirmed at Mumbai )

Dated this \_\_\_ day of June, 2023 )

*[Signature]*  
Petitioner

Identified by me,

Before me,

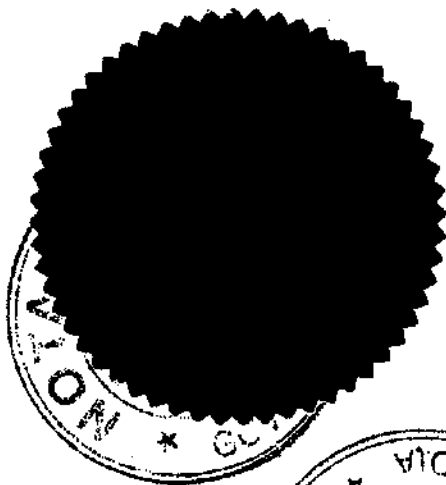
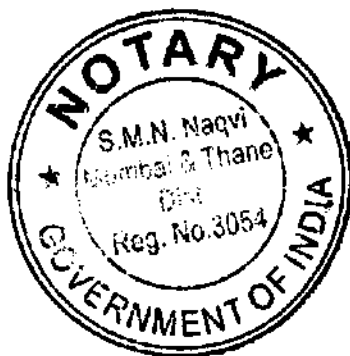
*[Signature]*  
Advocate for Petitioner

BEFORE ME

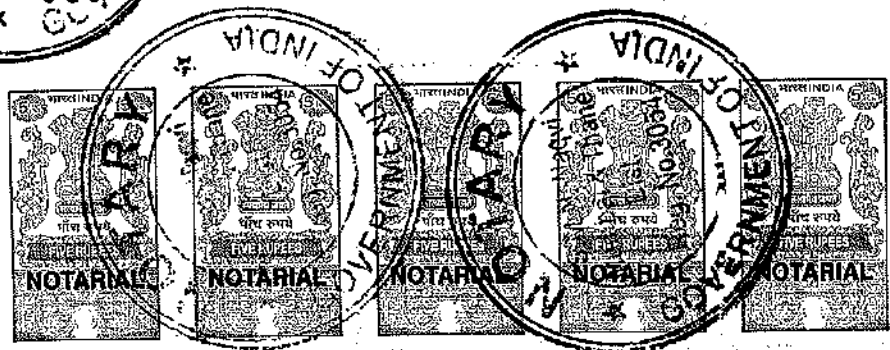
*[Signature]*  
22.6.23

S.M.N. Naqvi  
NOTARY

Government of India  
Mumbai & Thane Dist.



S. No... 640 P. No... 57  
NOTARY No... 9/43 Date... 22/6/23



# Exhibit - "A"

45

## Company Master Data

CIN	L18101MH2004PLC149489
Company Name	LIBAS CONSUMER PRODUCTS LIMITED
ROC Code	RoC-Mumbai
Registration Number	149489
Company Category	Company limited by Shares
Company SubCategory	Non-govt company
Class of Company	Public
Authorised Capital(Rs)	280000000
Paid up Capital(Rs)	263445800
Number of Members(Applicable in case of company without Share Capital)	0
Date of Incorporation	10/11/2004
Registered Address	401, 4th Floor, Crecent Royale, Off New Link Road Lokhanwala Complex, Andheri (West) Mumbai Mumbai City MH 400053 IN
Address other than R/o where all or any books of account and papers are maintained	-
Email Id	cs@libas.co.in
Whether Listed or not	Listed
ACTIVE compliance	ACTIVE compliant
Suspended at stock exchange	-
Date of last AGM	23/09/2022
Date of Balance Sheet	31/03/2022
Company Status(for efilling)	Active

## Charges

Assets under charge	Charge Amount	Date of Creation	Date of Modification	Status
Immovable property or any interest therein; Movable property (not being pledge)	8000000	31/12/2018	-	OPEN
Book debts	1875000	07/07/2005	07/07/2005	CLOSED
Immovable property or any interest therein	19000000	25/07/2013	-	CLOSED
	35000000	26/07/2008	21/08/2015	CLOSED
	17500000	28/08/2014	30/08/2014	CLOSED
Movable property (not being pledge)	20000000	25/02/2016	-	OPEN
	150000000	25/02/2016	27/01/2023	Open

## Directors/Signatory Details

DIN/PAN	Name	Begin date	End date	Surrendered DIN
02000572	NISHANT MAHIMTURA MITRASEN	10/11/2004	-	
AACPM1240J	NISHANT MAHIMTURA MITRASEN	27/10/2020	-	
02236203	RIYAZ EQBAL AHMED GANJI	10/11/2004	-	
07576582	RESHMA RIYAZ GANJI	26/07/2016	-	
08659377	KALPANA KUMARI	15/03/2023	-	
08766592	ASHISH ANIL DUBEY	18/06/2020	-	
09453515	RISHI RAJNIKANT SHARMA	31/12/2021	-	
09840237	POOJA SANJIV HINDIA	15/03/2023	-	
CSKPM6008A	Nita Sunil Mishra	04/07/2020	-	

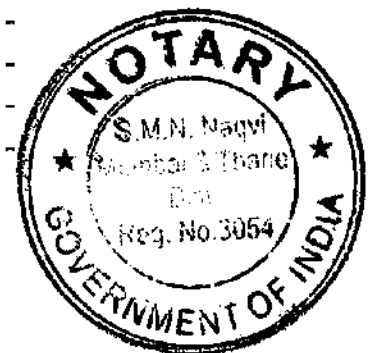


Exhibit - "B"

46

Prospectus  
Dated: December 19, 2016  
Please read section 26 of Companies Act, 2013  
100% Fixed Price Issue



**LIBAS DESIGNS LIMITED**

Our Company was incorporated as "Libas Designs Private Limited" under the provisions of the Companies Act, 1956 vide certificate of incorporation dated November 10, 2004 issued by Registrar of Companies, Mumbai, Maharashtra bearing registration No. 149489. Further our Company was converted into a Public Limited Company and fresh Certificate of Incorporation consequent to conversion was issued on September 20, 2016 by the Registrar of Companies, Mumbai, Maharashtra and consequently the name of our Company was changed to "Libas Designs Limited". The Corporate Identification Number of Our Company is U18101MH2004PLC149489. For further details please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 131 of this Prospectus.

**Registered Office:** Gala No. 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla (W), Mumbai - 400070, Maharashtra, India, Tel No: 91-22-23525145;

**Corporate Office:** B-201, Duplex Heights Co-operative Society, Yamuna Nagar Andheri (W), Mumbai - 400053, Maharashtra, India, Tel No: +919594092800 E-mail: info@libas.co.in; Website: www.libasfashion.com

**Contact Person:** Mrs. Reshma Riyaz Ganji, Managing Director

**Promoters of Our Company:** Mrs. Reshma Riyaz Ganji, Mr. Riyaz Eqbal Ganji and Mr. Nishant Mitrasen Mahimtura

**THE ISSUE**

**PUBLIC ISSUE OF 20,00,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID UP OF LIBAS DESIGNS LIMITED ("LIBAS DESIGNS" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. 68/- PER EQUITY SHARE (THE "ISSUE PRICE") INCLUDING A SHARE PREMIUM OF Rs. 58/- PER EQUITY SHARE AGGREGATING Rs. 1360.00 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 1,04,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 18,96,000 EQUITY SHARES OF Rs. 10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.67% AND 25.28%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH. THE ISSUE PRICE IS RS. 68/- THE ISSUE PRICE IS 6.80 TIMES THE FACE VALUE.**

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

*For further details please refer to "Section VII - Issue Information" beginning on Page 216 of this Prospectus.*

All potential investors may participate in the Issue through Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 222 of this Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- and the Issue Price is 6.80 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 85 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 19 of this Prospectus.

**COMPANY'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Prospectus are proposed to be listed on the NSE Emerge Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, Our Company has received an approval letter dated October 28, 2016 from NSE for using its name in this offer document for listing of our Equity Shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Limited ("NSE").

**LEAD MANAGER TO THE ISSUE**

**SARTHI CAPITAL ADVISORS PRIVATE LIMITED**  
159/11, Amar Brass Compound,  
Vidyanagari Marg, Kalina, Santacruz (E),  
Mumbai - 400098  
Tel: (022) 26528671/72  
Fax: (022) 26528673  
Investor Grievance Email: ipo@sarthiwm.in  
Website: www.sarthi.in  
Contact Person: Mr. Deepak Sharma  
SEBI Registration No.: INM000012011



**REGISTRAR TO THE ISSUE**

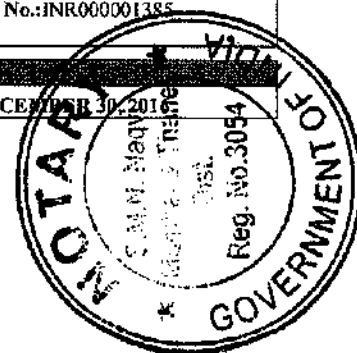
**BIGSHARE SERVICES PRIVATE LIMITED**  
E-2Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka,  
Mumbai - 400072, Maharashtra  
Tel: (022) 40430200  
Fax: (022) 28475207  
E-mail: ipo@bigshareonline.com  
Website: www.bigshareonline.com  
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**ISSUE PROGRAMME**

**ISSUE OPENS ON: DECEMBER 27, 2016**

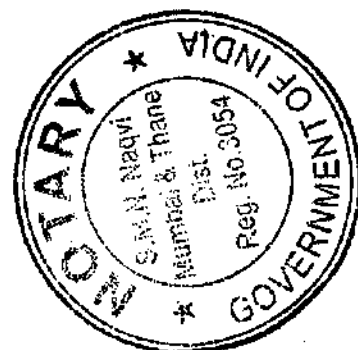
**ISSUE CLOSES ON: DECEMBER 30, 2016**





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

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





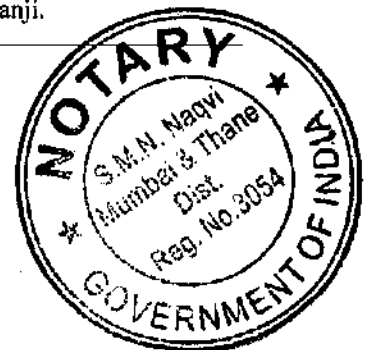
## SECTION – I GENERAL INFORMATION

### DEFINITIONS AND ABBREVIATIONS

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

#### Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The articles of association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Auditor of the Company being M/s. V.A. Mishra & Associates, Chartered Accountants, having their office at 206/207, Akruti Vadia School, Near Apna Bazar, J.P. Road, Andheri (West), Mumbai - 400053.
Banker to our Company	Union Bank of India
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	Mr. Govind Rao
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs.10 each
Equity Shareholders	Persons holding equity shares of our Company
Group Companies	Includes those companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under the Companies Act and disclosed in the chapter titled “Our Group Entities” beginning on page 152 of this Prospectus.
“Libas Designs Limited”, or “LDL”, or “Libas Designs” or “the Company”, or “our Company” or “we”, “us”, or “our” and the “Issuer Company”.	Libas Designs Limited, a public limited company incorporated under the provisions of the Companies Act, 1956.
Memorandum of Association or Memorandum or MOA	The memorandum of association of our Company, as amended from time to time.
Peer Review Auditor	The Peer Review Auditor of the Company being RPMD & Associates having their office at AB-17, 1st Floor, Shalimar Bagh, New Delhi – 110088.
“Promoters” or “our Promoters”	Promoters of our company being Mr. Nishant Mitrasen Mahimtura, Mr. Riyaz Eqbal Ganji and Mrs. Reshma Riyaz Ganji.

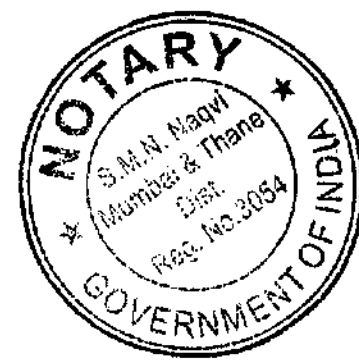




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Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "Our Promoter and Promoter Group" beginning on page 148 of this Prospectus.
Registered Office	The Registered Office of our Company located at Gala No. 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla (W), Mumbai – 400070, Maharashtra.
RoC	Registrar of Companies, Mumbai, Maharashtra.

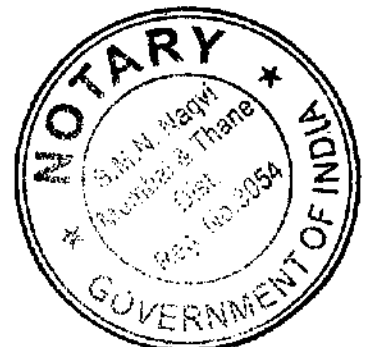
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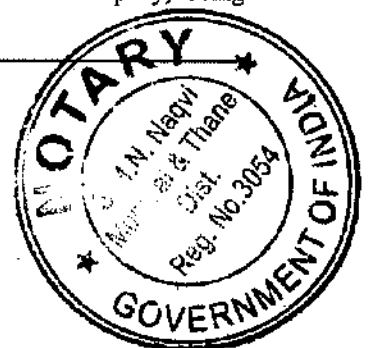
### Issue Related Terms

Term	Description
Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Supported by Blocked Amount.	Application Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount.
ASBA Location(s)/ Cities	Application Specified Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply (ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Yes Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 222 of this Prospectus.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.



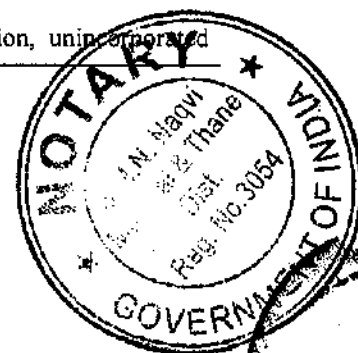


Term	Description
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Exchange	Stock Emerge Platform of National Stock Exchange of India Limited (NSE)
Prospectus	The Prospectus issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The Emerge Platform of NSE for Listing of Equity Shares offered under Chapter XB of SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 20,00,000 Equity Shares of face value of Rs. 10 each fully paid of Libas Designs Limited for cash at a price of Rs. 68/- per Equity Share (including a premium of Rs. 58/- per Equity Share) aggregating Rs. 1360 Lakhs.
Issue Agreement	The agreement dated September 22, 2016 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 68/- per Equity Share of face value of Rs. 10 each fully paid.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 1360 Lakhs.



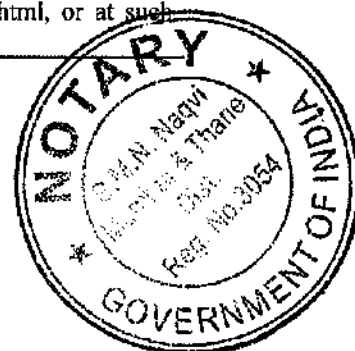


Term	Description
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE Emerge Platform.
Lead Manager/ LM	Lead Manager to the Issue in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Market Agreement	Making Market Making Agreement dated September 22, 2016 between our Company, LM and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of 1,04,000 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs. 68/- per Equity Share aggregating Rs. 70.72 Lakhs for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 18,96,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 68/- Equity Share aggregating Rs. 1289.28 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 79 of this Prospectus
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Payment electronic transfer of funds	through Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated





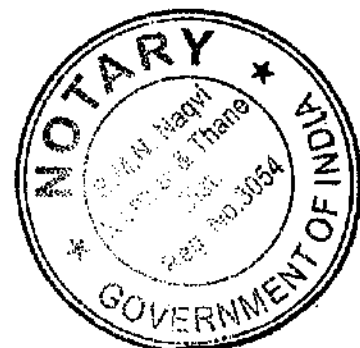
Term	Description
	organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus filed with RoC containing, <i>interalia</i> , the issue opening and closing dates and other information.
Public Issue Account	Account(s) opened with the Public Issue Banks/Bankers to the Issue for the Issue.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Yes Bank Limited.
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Mumbai - 400072.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker.	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> , or at such other website as may be prescribed by SEBI from time to time.



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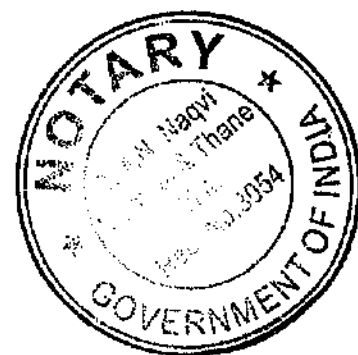


Term	Description
Emerge Platform of NSE	The EmERGE Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE EmERGE Exchange on October 14, 2011.
Underwriters	Sarathi Capital Advisors Private Limited.
Underwriting Agreement	The agreement dated September 22, 2016 entered into between the Underwriters and our Company.
Working Day	Unless the context otherwise requires: Working Days, shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.




**Technical and Industry Terms**

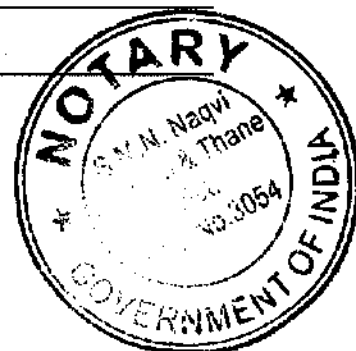
Term	Description
CSO	Central Statistical Organisation
EPF Act	The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
ESI Act	The Employees' State Insurance Act, 1948
IIP	Index of Industrial Production
Ktpa	Kilo-Tonnes per Annum
Mtrs	Meters
NCS	National Chain Store
NIFD	National Institute of Fashion Design
NTP, 2000	National Textile Policy, 2000 issued by the Ministry of Textiles, Government of India
Pcs	Pieces
RTS	Ready to Stitch
RTW	Ready to Wear
Sq. Mtrs.	Square Meters
WTO	World Trade Organisation





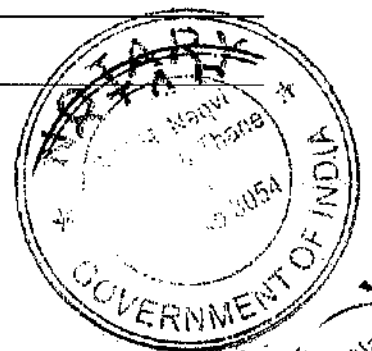
### Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
Act	The Companies Act, 1956 as amended from time to time, including sections of Companies Act 2013 wherever notified by the Central Government.
AGM	Annual General Meeting
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous Companies law or of this Act
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B.A	Bachelor of Arts
B.Com	Bachelors Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
B.Sc	Bachelors Degree in Science
BL	Block Level
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 as amended from time to time, including sections of Companies Act, 2013 wherever notified by the Central Government
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number



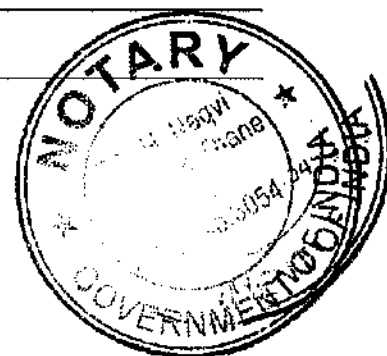


DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y	Financial Year
FPI/ Foreign Portfolio Investors	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product



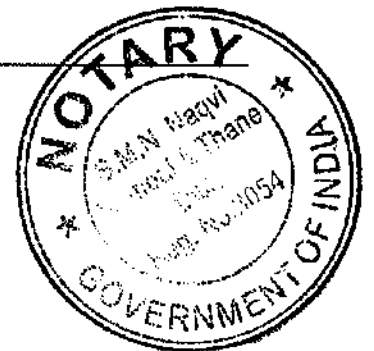


GOI	Government of India.
GID	General Information Document
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ Regulations/ SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ISIN	International Securities Identification Number
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled " <i>Our Management</i> " beginning on page 135 of this Prospectus.
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding
MNC	Multinational corporation
N/A or NA	Not Applicable



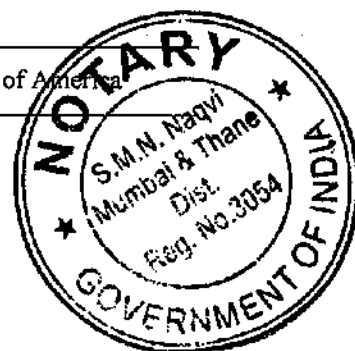


NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.





Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	Emerge Platform of NSE (NSE)
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America

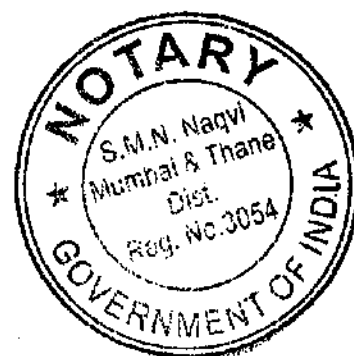




UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the following: -

- (i) In the section titled '*Main Provisions of the Articles of Association*' beginning on page 242 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled '*Financial Statements*' beginning on page 156 of this Prospectus, defined terms shall have the meaning given to such terms in that section; and
- (iii) In the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 87 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.





## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 156 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the 12 month period ended 31<sup>st</sup> March of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

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

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 156 of this Prospectus.

### CURRENCY OF PRESENTATION

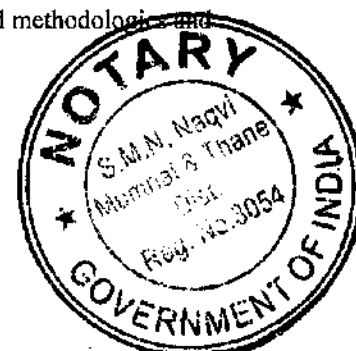
In this Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S. \$" or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

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

### INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from CMIE, IBEF, Asian Development Bank, MOSPI, CSO, Base Year 2011-12, Reserve Bank of India, Indian Textile Industry, Indian Brand Equity Foundation (IBEF), Textile and Apparel Report January 2016-IBEF, Indian Fashion Whitepaper 2016- Intelligence Node, ASSOCHAM etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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





### FORWARD-LOOKING STATEMENTS

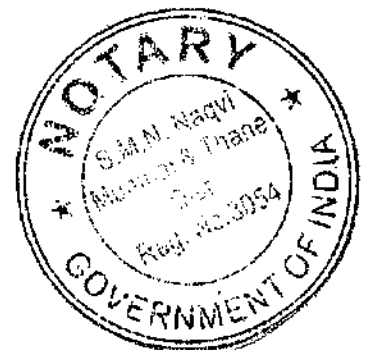
This Prospectus contains certain "forward-looking statements". These forward-looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other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

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Apparel Industry.
- Factors affecting Apparel Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in Market trend;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;

For a further discussion of factors that could cause our actual results to differ, refer to section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 19 and 187 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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





**SECTION II – RISK FACTORS**

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

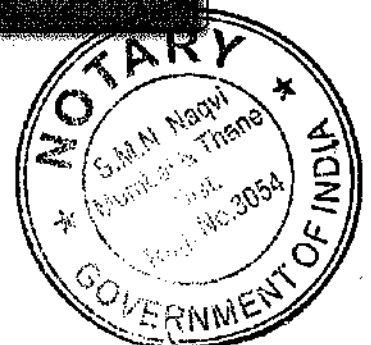
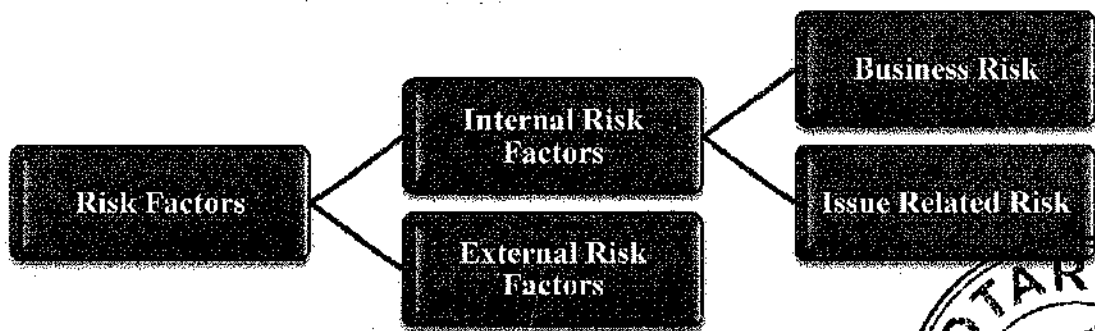
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 103, "Our Industry" beginning on page 95 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 187 respectively, of this Prospectus as well as other financial information contained herein.*

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

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

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

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





#### A. INTERNAL RISK FACTORS

##### A. Business Risks/ Company specific Risk

1. *There are certain outstanding legal proceedings involving our Company and Promoters which are pending at different stages before the Judicial / Statutory authorities. Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.*

Our Company, its Promoters and Directors are involved in certain legal proceedings and claims in relation to certain civil matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

##### Case Filed Against Our Company

- a) **Employees State Insurance Corporation has filed Application ESI No. 28 of 2013 in the Hon'ble Employees Insurance Court.**

Case No. ESI No. 28 of 2013 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for recovery of Rs. 7,84,838/-. Our Company got the recovery stayed through Hon'ble Employees Insurance Court. Employees State Insurance Corporation filed the case alleging that the stay orders are obtained by suppressing or misrepresenting the material facts to obtain orders and hence to award punishment in accordance with law. Application is at the stage of Evidence.

- b) **Ms. Manushi A Shah, Petitioner Vs M/s Libas Designs Private Limited and Mr. Nishant Mahimtura, Defendants.**

Ms. Manushi A Shah has filed a claim arrears of wages for the month of December 2015 and January 2016 under the payment of Wages Act, 1936 (IV of 1936) against our Company and Mr. Nishant Mahimtura.

Company has filed its reply on November 15, 2016 and next date of hearing is December 19, 2016.

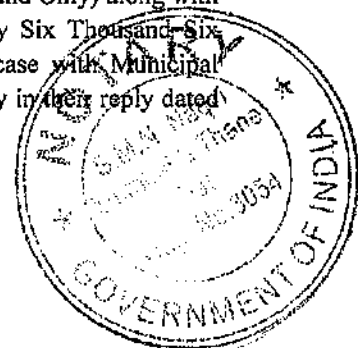
- c) **ESI Cases filed against our Company.**

- Case No. 267/SW/2012 filed for non-payment of contribution for the period February 2007 to December 2011 of Rs. 11,59,373/-.
- Case No. 2512447/2012 filed for non submission of Return of contribution from April 2006 to September 2011 in due dates i.e. within 42 days from the expiry of contribution period.

Both the cases were filed on October 10, 2012 in Sewree Court. Our Company has attending the case. The next date of hearing is January 03, 2017. The said cases are also pending in E.I. Court Bandra, Mumbai.

- (d) **Mr. Rupshi M. Satra and Mrs. Manjula R. Satra Vs. Libas Designs Private Limited, Mr. Riyaz Eqbal Ganji and Mr. Nishant Mitrasen Mahimtura**

Mr. Rupshi M. Satra and Mrs. Manjula R. Satra through their advocate Mr. Kshitish Shukla served a notice dated April 19, 2014 to our Company and Directors for non payment of rent of two months for the Borivali Showroom amounting to Rs. 1,60,000/- (Rupees One Lac Sixty Thousand Only) along with interest at the rate 24% per annum and demanded Rs. 26,600 (Rupees Twenty Six Thousand Six Hundred) towards legal expenses and professional fees incurred for settling case with Municipal Corporation and also Rs. 2,500 towards legal charges of the Notice. Our Company in their reply dated





May 05, 2015 denied all the allegation stating that our company had already given 36 post dated cheques for payment of rent amount and they had no information regarding BMC Case so they are not liable to pay the same.

Further, no action has been taken by the opposite party.

**(e) Mr. Aditya Krishna Vs. Libas Designs Private Limited and Mr. Riyaz Eqbal Ganji**

Mr. Aditya Krishna through his legal advisor sent a notice to our company for refund of Rs. 10,000/- for non delivery of the ordered suit by the agreed date i.e. 18/12/2015. Mr. Aditya Krishna claims that Mr. Riyaz Ganji had given the commitment for delivery of suit by agreed date which if not fulfilled amount paid shall be refunded.

No action has been taken by our company with this regard.

**Tax Proceeding involving our Company**

- Details of outstanding demand in respect of TDS:

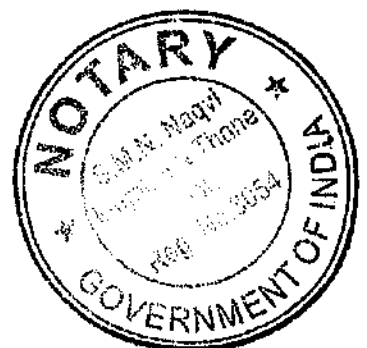
F.Y.	Amount (in Rs.)
2015-16	361,470
2014-15	302,530
2013-14	239,910
2012-13	326,300
2011-12	108,850
2010-11	53,390
2009-10	101,280
2007-08	1,770
<b>Total</b>	<b>1,495,500</b>

- Details of Outstanding demand in respect of Income Tax:

A.Y.	Section	Outstanding demand amount (in Rs.)	Pending with Jurisdiction
2012-13*	1431a	6,93,280	CPC
2009-10 <sup>#</sup>	220(2)	469	CPC
<b>Total</b>		<b>6,93,749</b>	

\*The Company has paid self assessment Tax of Amount Rs. 6,49,649/- on December 14, 2012. However, the same has not been updated on Income tax website and demand of amount Rs. 6,93,280/- has been raised.

#The Company has paid the Interest Amount of Rs. 469/- on September 24-09-2016. However, the same has not been updated on Income tax Website.



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**CASES FILED BY OUR COMPANY**

**a) Libas Designs Private Limited V/s LFE World Private Limited & Others**

Our Company has sent legal notices u/s 138 r.w. 141 of Negotiable Instrument Act, 1881 dated September 13, 2012 to M/s LFE World Private Limited, Hemant Aangrish, Simran Harsharanjit Singh and Harmeet Anurish demanding payment of Rs. 2,50,000/- in lieu of Cheque dishonoured for the reason "STOP PAYMENT", within a period of Fifteen (15) days from the receipt of the Legal Notice.

M/s LFE World Private Limited, Hemant Aangrish, Simran Harsharanjit Singh and Harmeet Anurish failed to make the payment for the Dishonoured Cheque Amount within stipulated period of Fifteen (15) Days of receipt of the Legal Notice. Thereafter, our Company filed a Complaint under Section 138 and 142 of the Negotiable Instrument Act, 1881 against them in the Court of Metropolitan Magistrates, Girgaon vide C.C. No. 1400511/SS/2012.

The matter is still pending with Court of Metropolitan Magistrates and next date of hearing is December 26, 2016.

**b) Application ESI No. 25 of 2012 filed in the Hon'ble Employees Insurance Court, Mumbai.**

Application is filed by our Company against the recovery proceeding initiated by the ESI Corporation in respect of their alleged order passed u/s. 45A of the ESI Act dated 30.07.2010 against M/s Libas Fashion, (proprietorship concern of Mr. Riyaz Eqbal Ganji), claiming contribution of Rs. 55,502/- and another order dated 30.03.2012 claiming contribution of Rs. 11,59,373/- for period 2/2007 to 12/2011. While application was pending, the ESIC recovered Rs. 7,84,838/- from the bank account of Libas Designs Private Limited.

Employee's Insurance court has stayed the Recovery proceedings and presently application is at the stage of evidence.

Employee State Insurance Corporation has filed Writ Petition in the Hon'ble High Court being Writ Petition no. 914 of 2013 against the order dated 22.11.2012 allowing the Review Application of M/s Libas Designs Pvt. Ltd., and directing the opponent to refund the recovered amount of Rs. 7,84,838/-. Petition filed by the ESIC is admitted but no hearing date has been received.

**Cases filed by Our Promoters**

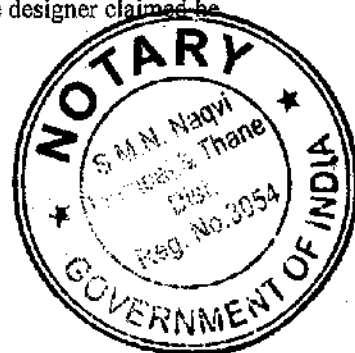
**Application ESI No. 23 of 2012 filed in the Hon'ble Employees Insurance Court, Mumbai.**

Application is filed against the Recovery proceeding initiated the ESI Corporation in respect of their alleged order passed u/s. 45A of the ESI Act dated 30.07.2010 against M/s Libas Fashion, proprietorship concern of Mr. Riyaz Eqbal Ganji, claiming contribution of Rs. 55,502/- and another order dated 30.03.2012 claiming contribution of Rs. 11,59,373/- for period 2/2007 to 12/2011. Recovery amount initiated as per Recovery Notice with interest thereon as on date of filing was Rs. 16,05,487/-. ESIC has initiated recovery against Mr. Riyaz Ganji considering him as Principal employer.

Recovery proceeding are stayed and presently application is at the stage of evidence. Amount of Rs. 1,00,000/- is deposited by Mr. Riyaz Ganji in the court. No date of hearing is fixed yet.

**Cases filed against our Promoters**

- a) A case is filed in the Bandra Metropolitan Court against Mr. Riyaz Eqbal Ganji, who was booked on charges of assault, rioting and criminal intimidation, after he allegedly got into a scuffle with residents of a housing society on Juhu Tara Road, he was released on bail of Rs 5,000/-. The designer claimed he





was harassed and wrongfully arrested. However, charge sheet is filed and matter is pending for further proceeding.

**b) Mrs. Rekha V. Khakhar Vs. Nishant Mitrasen Mahimtura and Asha K. Haji**

**Bombay City Civil Court: Case no: 1948 of 2006**

Dr. Labhuben S. Soneji, Nishant Mitrasen Mahimtura's Aunt was unmarried. She died on 11<sup>th</sup> Jan. 2005.

His surviving aunt, Mrs. Rekha V. Khakhar had filed a suit in March 2005 in the Hon'ble Mumbai High Court claiming that she was the sole surviving heir of the deceased, Dr. Ms. Labhuben S. Soneji.

Justice Karnik ruled that as Dr. Labhuben S. Soneji was unmarried and as per Hindu Succession Act, her Class I legal heir was her father but since he was not alive it shall devolve on her two sisters. Since the eldest sister, Dr. Mrs. Jayanti Mahimtura was not alive, her share shall vest upon her children, namely, Dr. Asha K. Haji and Nishant M. Mahimtura.

Subsequently, Mrs. Khakhar withdrew her claim and made a settlement with Nishant M. Mahimtura and Dr. Asha K. Haji on the partition of the estate of late Dr. Labhuben S. Soneji.

Thereafter, she went to court and filed the ongoing case in the Hon'ble Mumbai High Court, which then transferred to the Bombay City Civil court for a property and jewellery and other belongings. This case is pending in the Bombay City Civil Court.

**Case pending with Tax Authorities against our Promoters and Directors:**

Details of outstanding demand in respect of Income Tax against Nishant Mitrasen Mahimtura:

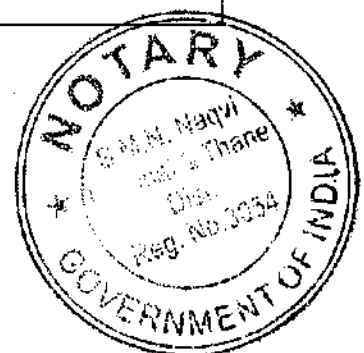
A.Y.	Section	Outstanding demand amount (in Rs.)	Pending with jurisdiction
2012-13	1431a	26,020	Assessing Officer
2014-15	1431a	6,130	CPC
<b>TOTAL</b>		<b>32,150</b>	

Details of outstanding demand in respect of Income Tax against Riyaz Eqbal Ganji:

A.Y.	Section	Outstanding demand amount (in Rs.)	Pending with jurisdiction
2005-06	143(1)	1,05,131	Assessing Officer
2008-09	143(1)	84,613	Assessing Officer
2009-10	1431a	1,320	CPC
2010-11	154	510	CPC
<b>TOTAL</b>		<b>1,91,574</b>	

Details of outstanding demand in respect of Income Tax against Reshma Riyaz Ganji:

A.Y.	Section	Outstanding demand amount (in Rs.)	Pending with jurisdiction
2007-08	143(1)	2,817	Assessing Officer
2008-09	143(1)	22,295	Assessing Officer
2010-11	1431a	2,230	CPC
<b>TOTAL</b>		<b>27,342</b>	





We cannot provide any assurance that these matters will be decided in favour of the above-mentioned entities or persons.

Further, there is no assurance that similar proceedings will not be initiated against the above-mentioned entities or persons in the future. For details, kindly refer chapter titled "Outstanding Litigation and Material Developments" at page 195 of this Prospectus.

**2. We have issued Equity Shares in the last Twelve months at a price lower than the Issue Price.**

Our Company has issued equity shares in the last twelve months at a price lower than the issue price on the following occasions:

Date of Allotment of the Equity Shares	No. of Equity Shares Allotted	Face Value (In Rs.)	Issue Price (In Rs.)	Nature of Allotment	Nature of Consideration
September 06, 2016	8,09,400	10	10	Rights Issue	Cash
September 12, 2016	11,90,600	10	10	Rights Issue	Cash
<b>Total</b>	<b>20,00,000</b>				

For further details, please refer chapter titled "Capital Structure" on page 54 of this Prospectus.

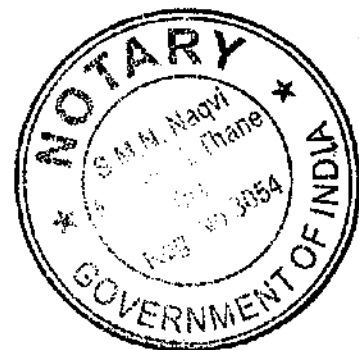
**3. Changes in market trends, fashion and consumer preferences and increase in competition that are largely beyond our control could adversely affect our business, financial condition, results of operations and prospects.**

Fashion industry is very sensitive to change as per market trend. Any change in the latest fashion can render the old stock obsolete and increase in competition with close competitors will reduce the demand. Also Factors such as change in trend, fashion and customer preference are generally beyond our control. Some or all of our concepts may become less attractive in light of changing consumer preferences or better design by competitors, and we may be unable to adapt to such changes in a timely manner. Any change in consumer preferences that decreases demand could adversely affect our business, financial condition, results of operations and prospects.

**4. We have high working capital requirements. Our inability to meet our working capital requirements may have a material adverse effect on our business, financial condition and results of operations.**

Our business requires a significant amount of working capital for smooth functioning. For the FY 2016 and FY 2015, our working capital requirements were Rs. 9.97 Crores and Rs. 8.54 Crores respectively. We meet our requirement for working capital majorly through banking facilities or fresh infusion of funds by way of issue of shares or internal accruals. In future, our inability, if any to meet our working capital requirements through banking arrangements or otherwise can adversely impact our business operations and financial position.

**5. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**





Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration and commission paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 54 and 135, respectively, of this Prospectus.

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

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

7. *Our Company had negative cash flow in the past 5 years, details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company had negative cash flows from our operating activities, investment activities as well as financing activities in some of the previous years, as per the Audited Financial Statements and the same are summarized as under:

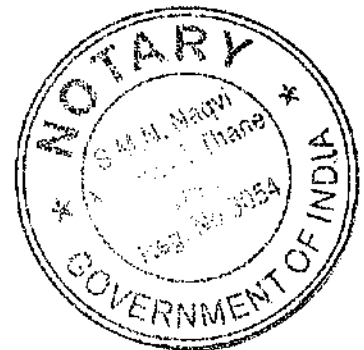
(Rs. in Lakhs)

Particulars	As at June	As on 31st March				
	30, 2016	2016	2015	2014	2013	2012
Cash flow from / (used in) Operating Activities	(80.73)	40.42	(170.65)	(154.70)	2.36	(0.27)
Cash flow from / (used in) Investing activities	(11.43)	(29.08)	(11.16)	19.71	(36.85)	(6.31)
Cash flow from/ (used in) Financing activities	70.62	(3.73)	181.30	143.88	21.70	(0.18)

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

8. *We do not own some of our Offices/Showroom/Fabrication Units/Registered Office from which we operate are not owned by our Company.*

Some of our Offices/Showrooms/Fabrication Units/Registered Office from which we operate are not owned by us. They are owned by our promoters and directors, their relatives and others. Our Company has obtained No Objection Certificate dated April 01, 2016 from the promoters and directors for using the said premises for a period of 3 years. We cannot assure you that we will own, or have the right to occupy, this premises in future, or that we will be able to continue with the uninterrupted use of this premise, which may impair our operations and adversely affect our financial condition. For details on properties taken on lease/rent by us please refer to the heading titled “Property” in chapter titled “Our Business” beginning on page 103 of this Prospectus.






- 9. *All our other Showrooms are on lease. In the event, we are unable to renew the lease agreements, or if such agreements are terminated, we may suffer a disruption in our operations.*


All of our Showrooms, apart from mentioned above, are not owned by us but are taken of lease of varying tenures. These leases are renewable on mutually agreed terms. Upon termination of the lease we are required to return the said business premises to the lessor/licensor, unless renewed. There is no assurance that the terms of agreements will be renewed in the event that lessor/licensor terminates or does not renew the agreements on commercially acceptable terms or at all. We shall be required to vacate the showrooms and we may be required to identify alternate premises and enter into fresh lease and license agreements. Such a situation could result into loss of business, time overruns and may adversely affect our operations and profitability. For details on properties taken on lease/rent by us please refer to the heading titled "Property" in chapter titled "Our business" Beginning of page 103 of this Prospectus

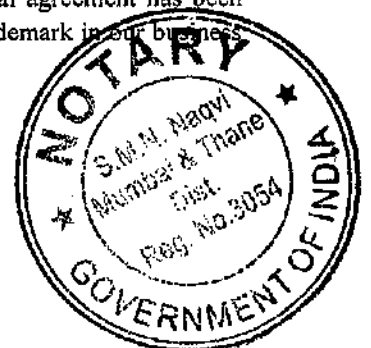
- 10. *Our Company had made applications for registration of brand under Trade Marks Act and some of them are either objected/ opposed status, due to which we may be subject to claims alleging breach of third party intellectual property rights. The use of similar trade names by third parties may result in loss of business to our Company and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.*

We believe our success depends in large part on our brand image. We believe that our trademarks and other Proprietary rights have significant value and are important to identifying and differentiating our products from those of our competitors and creating and sustaining demand for our products. Some of our trademarks which have been applied by our Company in class 25 and 35 under Trade Marks Act are objected and opposed. Any adverse decision in this regard by the Trademark Authority may restrict us to use the brand which may adversely affect our business. For further details, please refer to chapter titled "Government and Other Approvals" beginning on page 201 of this Prospectus. We are aware of other entities that are using "Libas Riyaz Gangji" or similar trade names. The use of "Libas Riyaz Gangji" or similar trade names by third parties may result in confusion among customers and loss of business. In addition, any adverse experience of customers of such third parties, or negative publicity attracted by such third parties could adversely affect our reputation and brand and business prospects.

We cannot assure you that the steps taken by us to protect our intellectual property rights will be adequate to prevent infringement of such rights by others, including imitation of our products and misappropriation of our brand. Additionally, we cannot assure you that obstacles will not arise as we expand our product line and the geographic scope of our sales and marketing. Third parties may assert intellectual property claims against us, particularly as we expand our business and the number of products we offer. Our defence of any claim, regardless of its merit, could be expensive and time consuming and could divert management resources. Successful infringement claims against us could result in significant monetary liability or prevent us from selling some of our products. In addition, resolution of claims may require us to redesign our products, license rights from third parties or cease using those rights altogether. Any of these events could harm our business and cause our results of operations, liquidity and financial condition to suffer.

- 11. *The Trademark of  is applied in the name of Mrs. Reshma Riyaz Ganji which is used by our Company for which no formal agreement has been executed.*

The Trademark of  is applied under the Trade Marks Act, 1999 in the name of Mrs. Reshma Riyaz Ganji which is used by our company for which no formal agreement has been executed. Mrs. Reshma Riyaz Ganji has permitted our company to use this Trademark in our business.





and has issued No Objection Certificate dated April 01, 2016 for a period of 5 years. However, there can be no assurance that the trade mark application shall be granted which may adversely affect our business operations.

**12. *We do not generally enter into agreements with our suppliers for supply of material accordingly may face disruptions in supply from our current suppliers.***

We do not have any long-term agreement or contract for the supply of material. We are dependent on our suppliers for our materials requirements. However, we do not have any long-term supply agreements or commitments in relation to the same or for any other materials used in our fabrication process. Any interruptions in the manufacturing operations of the suppliers could affect our ability to receive an adequate supply of quality products at reasonable prices. Additionally, any price volatility of these materials and our inability to adjust to the same could adversely affect our results of operations and profitability. Further any deterioration in the quality of the material procured could adversely affect our results of operations and profitability.

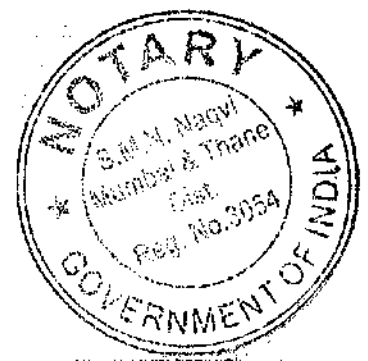
**13. *We could become liable to our customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.***

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand and our sales could be diminished if we are associated with negative publicity.

Also, our Business is dependent on the trust of our customer have in quality of our products. Any negative publicity regarding our company, brand or products, including those arising from drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

**14. *Our Promoters, together with our Promoter Group will continue to retain majority shareholding in our Company after the Offer, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group will always act in the best interests of the Company or you.***

The majority of our issued and outstanding Equity Shares are currently beneficially owned by the Promoters and the Promoter Group. Upon completion of the Offer, the Promoters and Promoter Group will own 52,34,000 Equity Shares, or 69.78% of our post-Offer Equity Share capital, assuming full subscription of the Offer. Accordingly, the Promoters and the Promoter Group will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of the Board of Directors, the adoption of amendments to our constitutional documents, lending, investments and capital expenditures. This concentration of ownership also may 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 these stockholders. The interests of the Promoters and Promoter Group as the Company's controlling shareholders could conflict with the Company's interests or the interests of its other shareholders. We cannot assure that the Promoters and Promoter Group will act to resolve any conflicts of interest in the Company's or your favour.





- 15. *Our business is subject to our inability to forecast the trends and consumer preferences or demands in the forthcoming seasons may contribute to fluctuations in our results of operations and financial condition.*

We offer products at our retail formats that our consumers require and our success is dependent on our ability to meet our consumers' requirements. We plan our products based on the forecast of consumer buying patterns as well as on the forecast of fashion and trends in the forthcoming seasons. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory and requiring us to resort to higher markdown and thus lower margins in order to clear such inventory. Consumer preferences are susceptible to change with change in fashion and trends, and their service level expectations too can change from time to time.

- 16. *Our Company does business with customers on Purchase Order basis and do not enter into any agreement with our customer and we not have fixed customer base. There can be no assurance that we may get repeat order flows from our customers.*

We are primarily into Apparels industry and our business model is such that our sales are in the spot market and we do not enter into any long term or fixed contracts with our customers. Further, at present we sell through online portals and supplies products to retail customers. The online e-retailors also order our products after evaluating the demand of our products. There can be no assurance that we shall get repeat order flow from our customers. While we believe that our brand is well known in the market and our qualitative supply at competitive prices shall ensure that we get sufficient orders, there can be no assurance that we shall be able to create sufficient demand for our products. Any contraction in our customer base or lack of order may adversely affect our revenue from operations and consequently our profitability.

- 17. *Our cost of fabrication is exposed to fluctuations in the prices of material.*

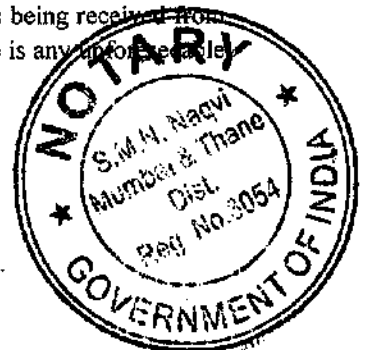
Our Company is dependent on third party suppliers for procuring the materials. We are exposed to fluctuations in the prices of the materials as well as its unavailability, particularly as we do not enter into any long-term supply agreements with our suppliers and our major requirement is met in spot market. We also face the risk associated with compensating for or passing on such increase in our cost on account of such fluctuations in the prices of our customers. Upward fluctuations in the prices of materials may thereby affect our margin and profitability, resulting in material adverse effect on our business, financial condition and results of operations. Though we enjoy favorable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost effective manner would cause delays in our production cycle and delivery schedules, which may result in the loss of our customers and revenues.

- 18. *Delay in filing of certain forms under Companies Act with RoC.*

We have delayed in filing of certain forms under Companies Act with RoC and although the Company has paid additional fees for the same, such non-compliance may result in penalties or other action against our Company.

- 19. *We constantly face a credit risk which may in turn affect our complete buying cycle adversely.*

Our Business is working capital intensive as we purchase fabrics from the manufacturers in bulk and then as per requirement of the Customers we fabricate these fabrics into apparels. In order to maintain trading relations and manage competition, we provide long / short term credit facilities to our customers. Our Debtors receivable period on an average is 151 days for the year ended March 31, 2016. Our aforementioned buying cycle is heavily dependent on timely payments being received from our customers. If there is a default in payment from any of our customers or there is any delay in payments



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delay in payment, our working capital cycle will be adversely affected. This may lead to our inability to maintain our working capital and thus lack the competitive advantage against various other traders leading to an adverse effect on our business operations and profitability.

**20. *We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them.***

We currently avail credit facilities from Union Bank of India. We have entered into agreements for term loans and financial facilities with our banker / lenders and the covenants in borrowings from bank / lenders, among other things require us to obtain permissions in writing in respect of, including, but not limited to effecting any change in the management/Board of the Company, capital structure, Company should not divert funds to sister concern/associate concern, no inter-transfer of funds within the group, except for genuine trade transactions. These covenants may have an adverse effect on the functioning of our Company.

For further details on restrictive covenants, please refer to chapter "Our History and Certain Other Corporate Matters" beginning on page 131 of this Prospectus.

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

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

**22. *We may suffer loss of income, if our products/designs are duplicated by our competitors.***

As our industry is fashion oriented, there is constant need for updating and innovation. Hence, designs in our industry change on a frequent basis. Our success highly depends upon the adaptability of the designs as per the latest trends and the acceptance of the product in the market. If any of our designs hits the market and receives an overwhelming response, our competitors may tend to copy our design to increase their market share and revenues and take due advantage; thus hampering market. Since our design is not registered, we may not be able to claim our rights over it and could suffer loss of income thereby affecting our operations and our results of operations.

**23. *We depend on certain third party service providers including online distribution portals and payment gateways and an inability to ensure availability of such services at competitive cost may have an adverse effect on our business.***

We rely on various third party service providers in our business operations including online distribution portals and payment gateways such as Jabong.com, Paytm.com, Groupon.com etc. Such portals and gateways are often susceptible to security concerns and require technological up gradations. Further any significant changes in the commission charged by such online portals for distributing our products or any increase in fee charged by such payment gateways may adversely affect our business and results of operations.

**24. *Our lenders have charge over our movable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable properties in respect of loans/facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured working capital facilities were Rs.616.20 Lakhs as on March 31, 2016. In the





event we default in repayment of the loans/facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to the heading titled "Financial Indebtedness" in chapter titled "Financial Statement As Restated" beginning on page 156 of this Prospectus

- 25. *Our Promoters has given guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amount due or termination of the facilities.***

Our promoters has given personal guarantee and collateral security in respect of loan availed by us. In the event that any of these guarantees/collaterals are revoked, the lenders for such facilities may require alternate guarantees, repayments of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could significantly affect our financial condition and cash flows.

- 26. *We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

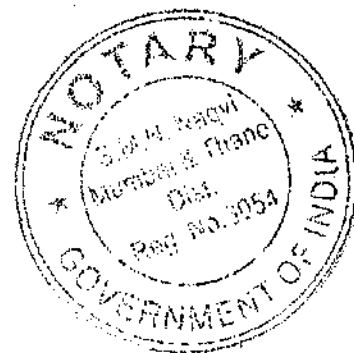
We have entered into certain transactions with related parties, our Directors and our Key Managerial Personnel and their relatives and may continue to do so in future. For absolute value of all transactions entered into with our related party entities please refer to Statement of Related Party Transactions of restated financials of the Company, beginning on page 154 of this Prospectus. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

- 27. *Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 201 of this Prospectus.

- 28. *We face competition in our business from both domestic and international brands. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.





**29. Changes in government regulations like demonetisation etc or their implementation could disrupt our operations and adversely affect our business and results of operations.**

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**30. Our insurance coverage may not adequately protect us against future unforeseen liabilities and this may have a material adverse effect on our business.**

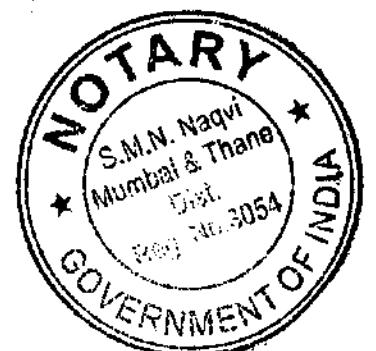
Our company has availed Standard Fire and Special Perils Policy, Fire Floater Policy, Fidelity Guarantee Insurance Policy, Shopkeeper Insurance Policy for our Fabrication Units and Showrooms except our sales store locate in Pune. However, the insurance cover taken by us may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time by the insurers. To the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our business operations and cash flows may be affected. For details on Insurance cover, please see "Insurance" the chapter titled "Our Business" beginning on page 103 of this Prospectus.

**31. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the "Objects of the Issue". Any short fall in raising/meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, debts, owned funds and internal accruals. Any short fall our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any short fall the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled— Objects of the Issue beginning on page 79 of this Prospectus.

**32. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.**

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





## II. Risk related to this Issue and our Equity Shares

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

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

### B. EXTERNAL RISK FACTORS

34. *Natural calamities and force majeure events may have an adverse impact on our business.*

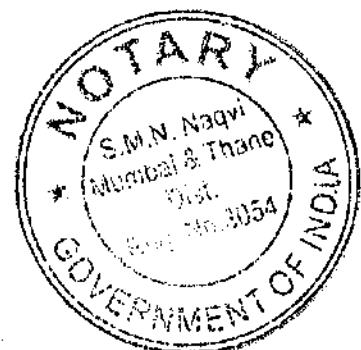
Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

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

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

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

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





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

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

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

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

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

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

- 40. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.**

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include vat, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

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

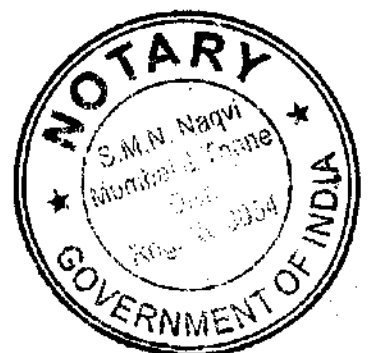
Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an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





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

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



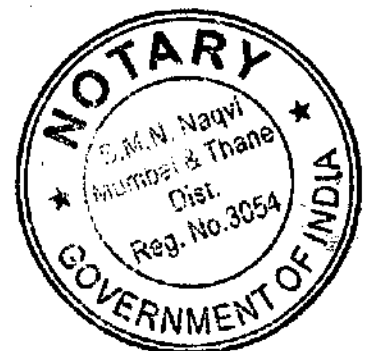


### PROMINENT NOTES

- a) The Public Issue of 20,00,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 68/- per Equity Share aggregating Rs. 1,360 Lakhs ("the Issue"). Issue of Equity Shares will constitute 26.67% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 45 of this Prospectus.
- b) The net worth of our Company is 353.22 Lakhs, 262.18 Lakhs and 226.81 Lakhs as on March 31, 2016, March 31, 2015 and March 31, 2014 respectively. The book value of each Equity Share is Rs. 35.32, Rs. 26.22 and Rs. 22.68 as on March 31, 2016, March 31, 2015 and March 31, 2014 respectively as per the audited financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 156 of this Prospectus.
- c) The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Nishant Mitrasen Mahimtura	22,60,000	4.47
Mr. Riyaz Eqbal Ganji	12,48,900	5.00
Mrs. Reshma Riyaz Ganji	12,35,100	4.94

- d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "Related Party Transactions" beginning on page 154 of this Prospectus.
- e) Except as disclosed in the chapter titled "Capital Structure", "Our Promoters and Promoter Group" and "Our Management" beginning on pages 54, 148 and 135 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.
- f) Except as disclosed in the chapter titled "Capital Structure" beginning on page 54 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
- g) Investors may contact the LM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Compliance Officer, please refer to the chapter titled "General Information" beginning on page 46 of this Prospectus.
- h) Investors are advised to refer to chapter titled "Basis for Issue Price" on page 85 of this Prospectus.
- i) Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.
- j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus. Except as stated in the chapter titled "Our Group Entities" beginning on page 152 and chapter titled "Related Party Transactions" beginning on page 154 of this Prospectus, our Group Entities have no business interest or other interest in our Company.
- k) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 220 of this Prospectus.





## SECTION III- INTRODUCTION

### SUMMARY OF OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly investment decisions should not be based on such information.

### OVERVIEW OF INDIAN ECONOMY

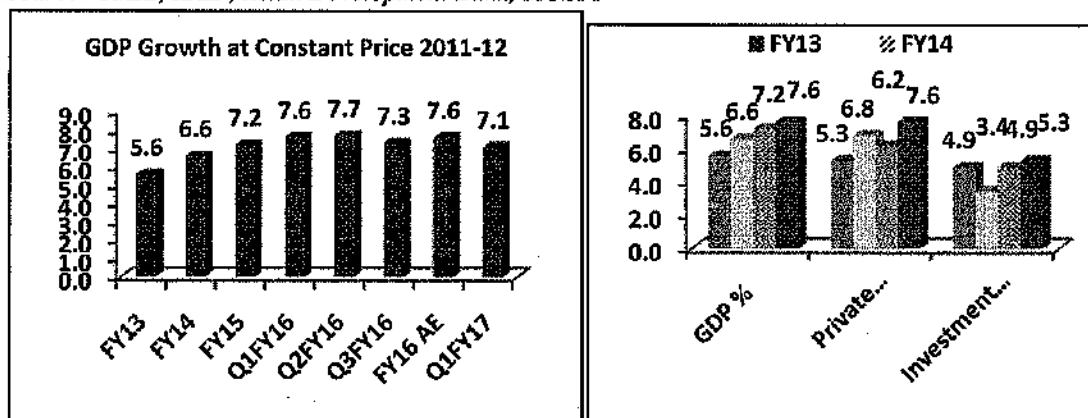
India, a South Asian nation, is the seventh-largest country by area, the second-most populous country with over 1.25 billion people, and the most populous democracy in the world. India is the fourth largest economy in the world in terms of purchasing power parity (PPP). India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7% in 2016-17. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75% during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than 7% for the third successive year 2016-17 and can start growing at eight per cent or more in next two years.

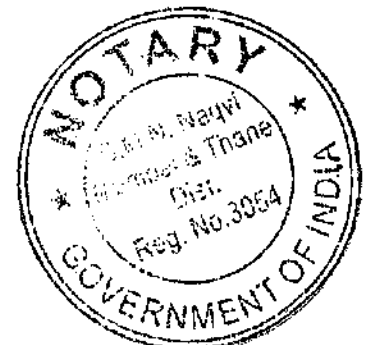
The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6%. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5% and 'trade, hotels, transport, communication services' at 10.7%.

Source: CMIE, IBEF, Asian Development Bank, MOSPI



Source: MOSPI, CSO, Base year 2011-12

Indian GDP (at 2011-12 prices) revived to 7.3% in Q2FY17 as compared to 7.1% in the previous quarter and 7.7% in Q2FY16. The acceleration in the GDP growth was driven by the marked improvement in the agriculture



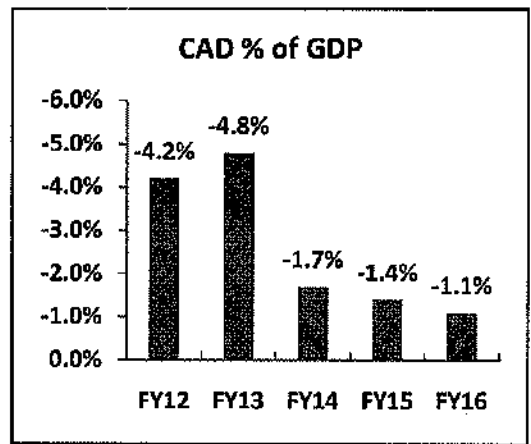


sector, while this growth momentum is not likely to sustain in the coming quarter due to the disruption in the economy caused by government's latest move to abolish high-denomination notes.

Gross value added (GVA), which is adjusted for subsidies and taxes to arrive at GDP, grew at 7.1% v/s 7.3% (each) in Q1FY17 and Q2FY17. Within the three broad sectors of the economy, growth in industry and services sectors eased compared to previous quarter, while agriculture showed the significant improvement. Agriculture sector output increased to a 10-quarter high at 3.3% in the just-concluded quarter v/s 1.8% in Q1FY17 and 2.0% in Q2FY16 as near normal monsoon this season has boosted kharif crops production. Services sector GVA eased to 8.9% (9.6% in Q1FY17 and 9.0% in Q2FY16) on the bank of low growth in trade, hotel and restaurants segment and financial services.

**CURRENT ACCOUNT DEFICIT**

For the entire 2015-16 fiscal, CAD stood at 22.1 billion 1.1% of the GDP as against 26.8 billion 1.8% for 2014-15, according to Reserve Bank of India data. India's current account deficit (CAD) declined sharply to \$0.3 billion 0.1% of Gross Domestic Product in the fourth quarter of ended March 2016 (FY16) from \$ 7.1 billion 1.3%, in third quarter ended December 2015, on account of lower trade gap. The trade deficit in the fourth quarter of FY16 stood at \$24.8 billion compared to \$31.6 billion in Q4 of 2014-15. The country's trade deficit was \$130.1 billion for FY16 while for FY15 it stood at \$144.9 billion. Balance of Payments (BOP) stayed in positive territory with accretion of \$3.3 billion to India's Foreign exchange reserves in Q4 2015-16. The overall BOP during the fiscal FY16 moderated to \$17.9 billion from \$ 61.06 billion in 2014-15.

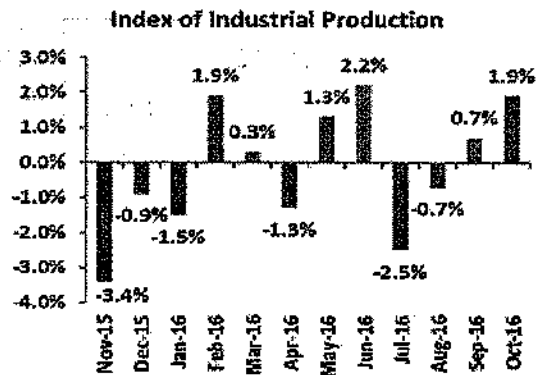


Source: RBI

**INDEX OF INDUSTRIAL PRODUCTION**

**Index of Industrial Production**

Industrial production shrank 0.7% in August as compared to a 2.4% contraction in July, mainly on account of declining output in manufacturing and capital goods sectors. On a cumulative basis, the factory output, as measured by the index of industrial production, in April-August declined by 0.3% compared with the corresponding period a year ago. Output in mining, manufacturing and electricity sectors for the month of August grew 0.6 per cent, (-)1.2% and 5.7%, respectively. Among other sectors, output in capital goods slumped 22.2% in capital goods.

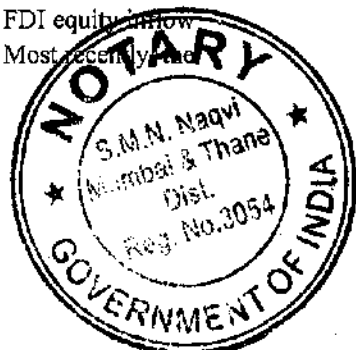


Source: RBI

**FOREIGN DIRECT INVESTMENTS**

According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments India received in FY 2015-16 (April 2015-March 2016) was US\$ 40 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

Data for FY 2015-16 indicates computer hardware and software segment attracted the highest FDI equity inflow of US\$ 6.9 billion, followed by the computer hardware and software sector (US\$ 5.9 billion). Most recently, the





total FDI equity inflows for the month of March 2016 touched US\$ 2.47 billion as compared to US\$ 2.12 billion in the same period last year.

During FY2015-16, India received the maximum FDI equity inflows from Singapore at US\$ 13.69 billion, followed by Mauritius (US\$ 8.35 billion), USA (US\$ 4.19 billion), Netherlands (US\$ 2.64 billion) and Japan (US\$ 2.61 billion). Healthy inflow of foreign investments into the country helped India's balance of payments (BoP) situation and stabilised the value of rupee.

FDI in India witnessed an increase of 29% and reached US\$ 40 billion during April 2015-March 2016 as compared to US\$ 30.93 billion in the same period last year.

According to the data released by Grant Thornton India, the total merger and acquisitions (M&A) and private equity (PE) deals in the month of April 2016 were valued at US\$ 5.5 billion (100 deals), which is 2.2 times higher as compared to April 2015.

India has also overtaken China as world's top foreign direct investment (FDI) destination with US\$ 63 billion of FDI announced in 2015 including high-value project announcements across the coal, oil and natural gas, and renewable energy sectors.

Source: IBEF

#### KEY ECONOMIC VARIABLES

Particulars	FY13	FY14	FY15	FY16E
GDP %	5.6	6.6	7.2	7.6
GVA Growth Rate (%)	5.4	6.3	7.1	7.3
Export Growth (%)	-1.8	4.7	-1.3	-17.6 <sup>a</sup>
Import Growth (%)	0.3	-8.3	-0.5	-15.5 <sup>b</sup>
Current Account Balance % to GDP	-4.8	-1.7	-1.3	1.4 <sup>c</sup>
Inflation - WPI #	7.4	6.0	2.0	-2.8 <sup>c</sup>
Inflation - CPI	10.2	9.5	5.9	4.9 <sup>c</sup>

Source <http://indiabudget.nic.in> Volume I, RBI, DIPP

#### INDIAN TEXTILE INDUSTRY

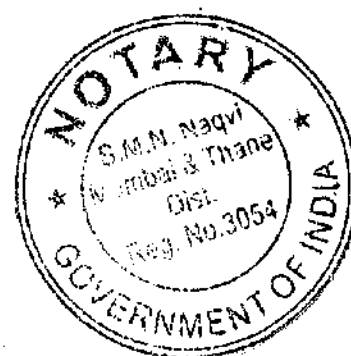
##### Overview

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Source: Indian Textile Industry, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org)



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## SUMMARY OF OUR BUSINESS

### OVERVIEW OF OUR COMPANY

Our Company was incorporated as Libas Designs Private Limited on November 10, 2004 with the Registrar of Companies, Mumbai, Maharashtra as a private limited company under the provisions of the Companies Act 1956 vide registration no. 149489 (CIN: U18101MH2004PLC149489) and a certificate of incorporation was issued by the Registrar of Companies, Mumbai, Maharashtra on November 10, 2004.

Our Company was converted into a public limited company and accordingly the name of our Company was changed to Libas Designs Limited pursuant to a special resolution passed by our Shareholders at the EGM held on September 14, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on September 20, 2016 by Registrar of Companies, Mumbai, Maharashtra.

We are engaged in the process of fabrication of fabric into apparels and other products through customisation, where customers can choose the colours, fabrics and designs and make changes as per their need. We at LIBAS RIYAZ GANGJI implement the traditional bespoke process with a modern-day approach. Right from the initial stage that involves the client preferences to constructing the most desirable outfit, we ensure complete satisfaction to our client. Apart from retail sales, we also undertake wholesale business where we provide our designs to other labels. We also give complete solutions to corporates regarding their dressing needs and designing.

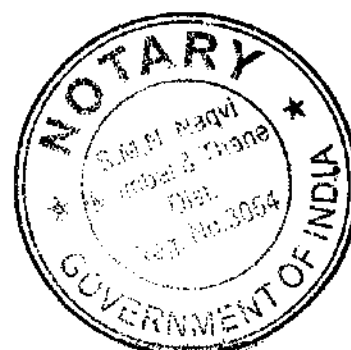
The Company markets its product under the brand name of LIBAS RIYAZ GANGJI and it is a well-established fashion designer brand name in Mumbai. Furthermore, it has tie up with more than 80 Indian & international designers and have inventory of more than 500 Designer wear to choose. Currently, we have 8 stores either own or on franchisee basis. The ratio of stores and wholesale business is 42:58 as per F.Y. ended on March 31, 2016.

For E-retailing our products, we have tie ups with major ecommerce players portals such as www.jabong.com, www.indianroots.com etc and have its own portal in the name of www.libasfashion.com. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility. The Company has varieties of products namely Men's wear – Sherwani, Suits, Indo-Western Wears, Nehru Jacket & Pants, Women Wear – Sarees, Suits, Lehenga, Gowns & Anarkalis and Accessories – Jewellery, Belts, Mojari, Cufflinks & Safa. In Ludhiana, Company also provides beauty services.

Over the past some years we have intensely marketed Libas connecting with Fashion weeks, IPL matches and Social programs as well as Luxury brands like BMW, Videocon etc. and popular TV shows such as Sasuraal SimarKa and Desh Ki Beti Nandini where the central characters have donned Libas. Among one of our most prominent campaigns was our cross publicity for the movie VEER starring Salman Khan and Zarine Khan. Zeenat Amaan, Jacqueline Fernandes, Zarine Khan, Jimmy Shergill, Rana Dagubatti, Sonu Sood, Divya Dutta, Randeep Hooda, Sonal Chauhan are some of the names that have donned Libas on ramps. Sajid – Wajid, Shreya Ghoshal and Shaan are also among our regulars.

We also have a dedicated team working on creating premium quality uniforms for all types of businesses including Corporate Offices, Schools, Hotels & Restaurants Security Agencies, Saloons, Hospitals etc. All our uniforms are rightly tailored based on the requirements set forth by our clients. The clothing material used is of the finest quality and sourced from authentic dealers.

We also offer an extensive range of jute bags, best suited for everyday use. With 100s of different colours and styles, customers have a good number of options to choose from. Customers may also get to design their own bag by choosing their own dimensions, colours and features such as the buttons, zippers, the handle and of course the overall styling.





We recently started organizing budget-friendly weddings. We have experienced wedding planners who specializes in covering local wedding celebrations as well as destination-based weddings. Moreover, we also take the prime onus of arranging catering services and booking the most desirable venue based on our customers personal preference.

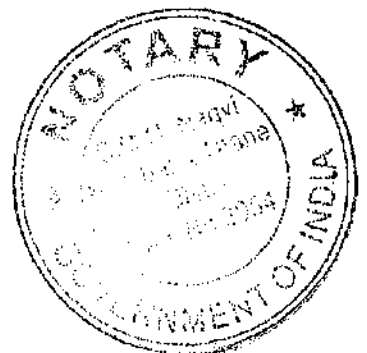
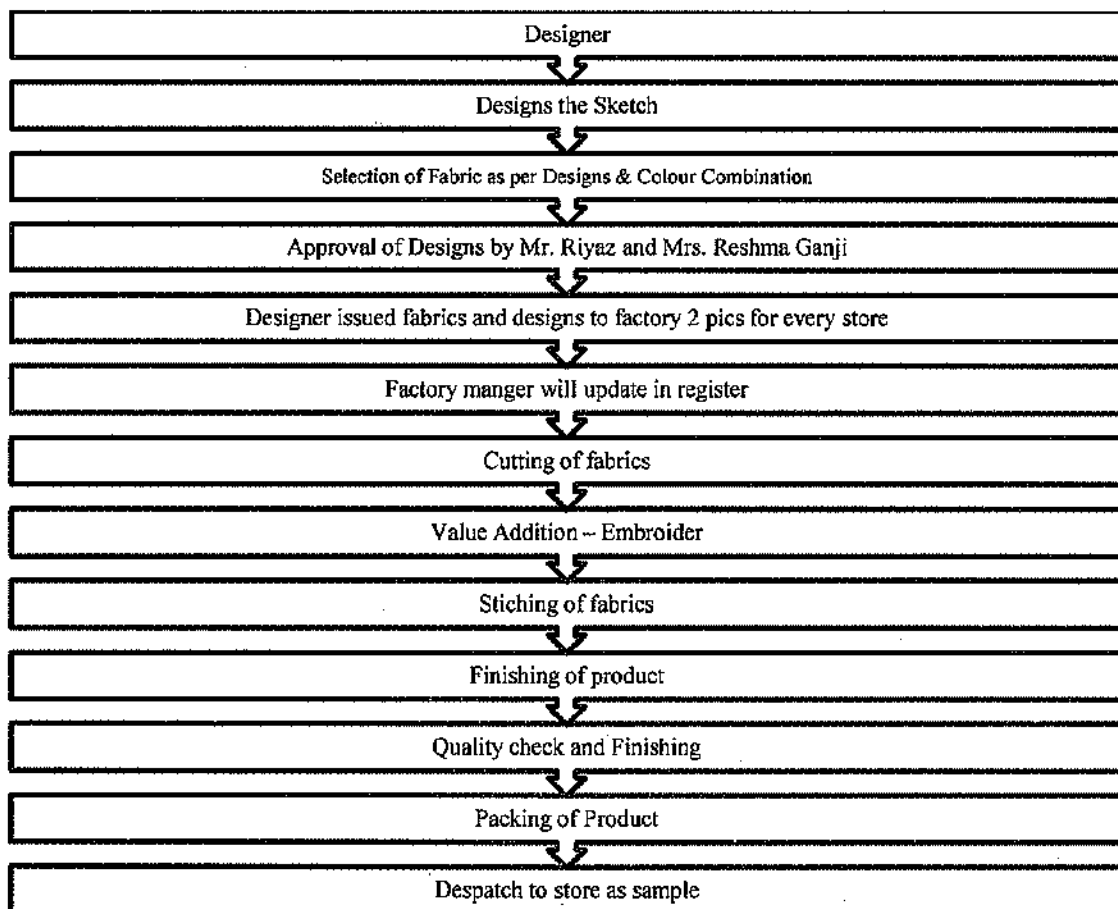
Our Company has entered into an agreement with K Brands Private Limited wherein it was agreed that K Brands Private Limited shall set out atleast 4 (Four) franchisees shops with minimum 800 sq ft carpet area each in the brand name "LIBAS RIYAZ GANGJI" on or before June 30, 2017 and in the event of its failure, the present agreement shall stand void and non operative without further reference.

#### PRODUCTS CATEGORIES

MEN	WOMEN	ACCESSORIES	JUTE BAGS
<ul style="list-style-type: none"> <li>• Sherwani</li> <li>• Suits</li> <li>• Indo Western</li> <li>• Nehru Jacket</li> <li>• Shirts</li> <li>• Pants</li> </ul>	<ul style="list-style-type: none"> <li>• Sarees</li> <li>• Suits</li> <li>• Lehenga</li> <li>• Gowns</li> <li>• Anarkari</li> </ul>	<ul style="list-style-type: none"> <li>• Jewellery</li> <li>• Belts</li> <li>• Mojari</li> <li>• Cufflinks</li> <li>• Saffa</li> </ul>	<ul style="list-style-type: none"> <li>• Carry Bags</li> <li>• Gifts Bags</li> <li>• Bottle Bags</li> <li>• Lunch Bags</li> <li>• Grocery Bags</li> </ul>

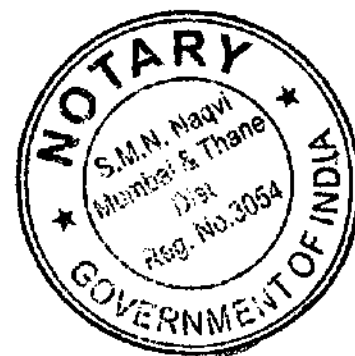
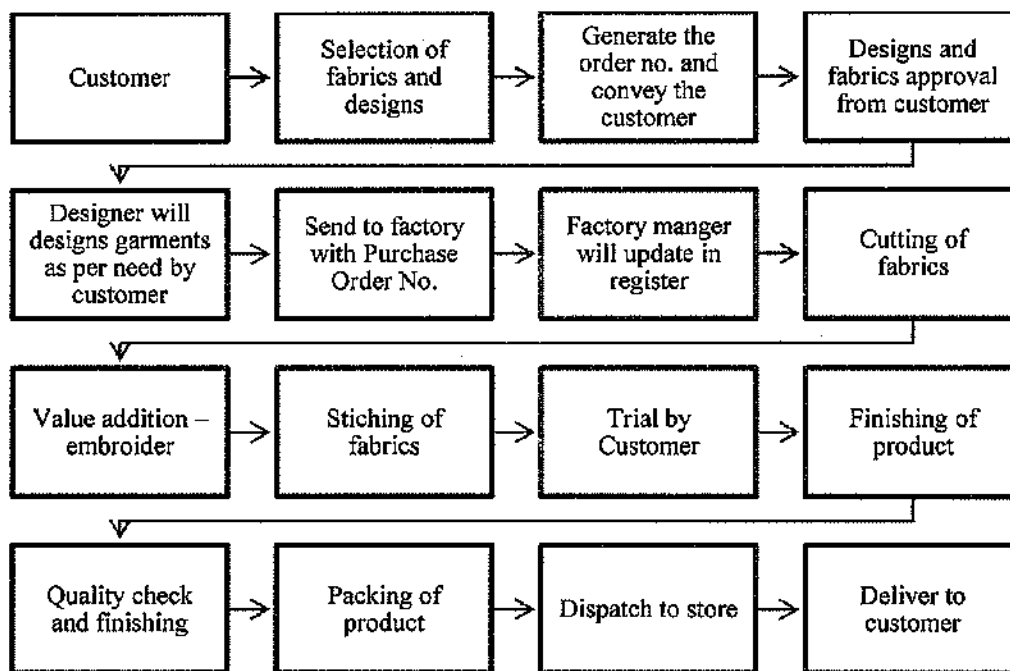
#### PROCESS FLOW CHART

##### In-house Production:-





**Customized Production:-**





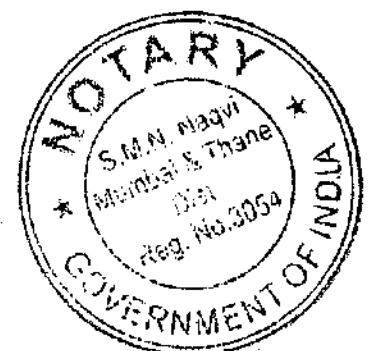
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**SUMMARY OF FINANCIAL STATEMENTS**

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED STAND ALONE**

(Rs. in Lakhs)

Sr. No.	Particulars	Not e No.	As at June 30, 2016	As at March 31,				
				2016	2015	2014	2013	2012
<b>A.</b>	<b>Equity and Liabilities</b>							
<b>1</b>	<b>Shareholders' Funds</b>							
	Share Capital	2.1	100.00	100.00	100.00	100.00	100.00	100.00
	Reserves & Surplus	2.2	279.32	253.22	162.18	126.81	93.28	67.16
<b>2</b>	<b>Share application money pending allotment</b>		-	-	40.00	40.00	40.00	40.00
<b>3</b>	<b>Non-Current Liabilities</b>							
	Long-term borrowings	2.3	-	-	-	-	-	-
	Deferred Tax Liabilities (Net)	2.27	-	-	-	-	-	-
	Other Long Term Liabilities	2.4	131.99	131.99	193.99	46.39	25.31	25.31
	Long Term Provisions	2.5	6.23	-	-	-	-	-
<b>4</b>	<b>Current Liabilities</b>							
	Short Term Borrowings	2.6	706.28	616.20	448.04	351.40	179.56	130.89
	Trade Payables	2.7	739.99	658.95	332.78	442.57	500.85	487.54
	Other Current Liabilities	2.8	51.42	50.18	38.21	18.06	25.92	22.98
	Short Term Provisions	2.9	56.25	44.63	15.86	9.68	8.18	4.39
	<b>Total</b>		<b>2071.48</b>	<b>1,855.17</b>	<b>1,331.06</b>	<b>1,134.91</b>	<b>973.10</b>	<b>878.26</b>
<b>B.</b>	<b>Assets</b>							
<b>5</b>	<b>Non-Current Assets</b>							
	Tangible Assets	2.10	54.69	47.10	28.89	26.32	26.47	19.44
	Intangible Assets		-	-	-	-	-	-
	Capital Work In Progress		-	-	-	-	-	-
	Non - Current Investments	2.11	1.00	1.00	1.00	1.00	26.00	1.00
	Long Term Loans and Advances	2.12	70.21	64.72	99.03	99.91	71.34	59.63
	Deferred Tax Assets (Net)	2.27	-	-	-	0.40	-	-
	Other Non Current Assets	2.13	-	-	-	-	-	1.05
<b>6</b>	<b>Current Assets</b>							
	Inventories	2.14	988.19	806.10	530.76	406.86	367.42	279.99
	Trade Receivables	2.15	949.11	899.05	557.81	520.38	453.70	425.16
	Cash and Cash Equivalents	2.16	7.89	29.49	21.89	22.39	12.67	25.46
	Short-term loans and advances	2.17	0.39	7.70	91.69	57.65	15.49	66.54
	Other Current Assets	2.18	-	-	-	-	-	-
	<b>Total</b>		<b>2071.48</b>	<b>1,855.17</b>	<b>1,331.06</b>	<b>1,134.91</b>	<b>973.10</b>	<b>878.26</b>

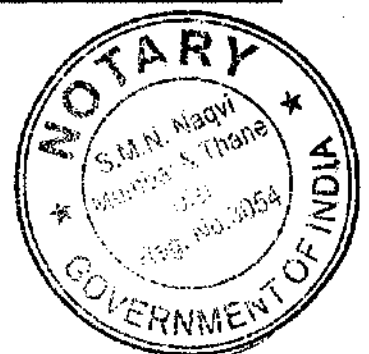




## STATEMENT OF PROFIT AND LOSS AS RESTATED STAND ALONE

(Rs. in Lakhs)

Sr. No	Particulars	Notes No.	As at June 30, 2016	For The Year Ended March 31,				
				2016	2015	2014	2013	2012
<b>A.</b>	<b>Revenue:</b>							
	Revenue from Operations (gross)	2.19	519.20	2,146.47	1,767.96	1,407.25	1,066.85	917.49
	Less: Excise Duty		-	-	-	-	-	-
	Revenue from operations (net)		519.20	2,146.47	1,767.96	1,407.25	1,066.85	917.49
	Other income	2.20	0.42	2.93	3.77	26.76	1.76	3.57
	<b>Total revenue</b>		<b>519.62</b>	<b>2,149.41</b>	<b>1,771.73</b>	<b>1,434.02</b>	<b>1,068.61</b>	<b>921.06</b>
<b>B.</b>	<b>Expenses:</b>							
	Cost of material Consumed	2.21	426.50	1,697.95	1,362.82	982.03	738.51	550.42
	Cost of Trading Goods		-	-	-	-	-	-
	Changes in inventories of Finished goods, work-in-progress, Stock in Trade	2.22	(78.27)	(171.39)	(96.30)	(1.81)	(66.78)	0.47
	Employee benefit expenses	2.23	47.32	128.47	112.87	102.83	94.44	78.44
	Finance costs	2.24	19.47	69.90	62.94	49.03	26.98	23.49
	Depreciation and amortization expense	2.10	3.85	11.87	8.59	5.44	5.38	4.49
	Other expenses	2.25	62.98	276.61	267.74	248.27	225.68	222.91
	<b>Total Expenses</b>		<b>481.85</b>	<b>2,013.40</b>	<b>1,718.65</b>	<b>1,385.80</b>	<b>1,024.20</b>	<b>880.22</b>
	<b>Profit/(loss) before tax and before exceptional and extraordinary items</b>		<b>37.77</b>	<b>136.01</b>	<b>53.08</b>	<b>48.22</b>	<b>44.41</b>	<b>40.84</b>
	<b>Prior Period Expenses</b>		-	-	-	-	-	-
	<b>Exceptional and Extraordinary Item</b>	2.26	-	-	-	-	-	-
	<b>Profit/(loss) before tax</b>		<b>37.77</b>	<b>136.01</b>	<b>53.08</b>	<b>48.22</b>	<b>44.41</b>	<b>40.84</b>
	<b>Tax expense :</b>							
	Current tax		11.67	44.97	17.47	15.29	15.04	13.90
	Wealth Tax		-	-	-	-	-	-
	MAT Credit		-	-	-	-	-	-
	Prior Period Taxes		-	-	-	-	-	-
	Deferred Tax		-	-	0.40	(0.40)	-	-
	<b>Profit/(loss) For the year</b>		<b>26.10</b>	<b>91.04</b>	<b>35.22</b>	<b>33.32</b>	<b>29.37</b>	<b>26.94</b>
	<b>Earning per equity share in Rs.:</b>							
	(1) Basic		0.75	2.60	1.01	0.95	0.84	0.77
	(2) Diluted		0.75	2.60	1.01	0.95	0.84	0.77



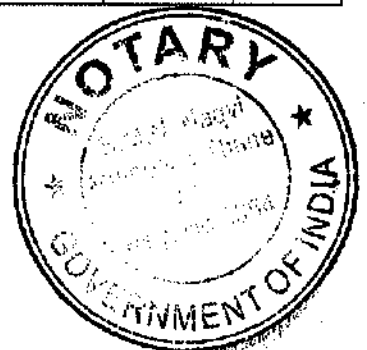


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**STATEMENT OF CASH FLOW FROM RESTATED FINANCIAL STATEMENTS STAND ALONE**

(Rs. in Lakhs)

Particulars	As at	For The Year Ended March 31,				
	June 30, 2016	2016	2015	2014	2013	2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>						
Profit/ (Loss) before tax	37.77	136.01	53.08	48.22	44.41	40.84
Adjustments for:						
Depreciation & amortization	3.85	11.87	8.59	5.44	5.38	4.49
Interest Expense	19.47	69.90	62.94	49.03	26.98	23.49
Interest Received	-	(1.00)	-	-	(0.55)	(1.33)
Other Misc. Adjustments	-	-	0.16	0.21	(3.25)	-
Provision for Gratuity	6.23	-	-	-	-	-
<b>Operating profit before working capital changes</b>	<b>67.31</b>	<b>216.77</b>	<b>124.77</b>	<b>102.89</b>	<b>72.96</b>	<b>67.49</b>
Movements in working capital :						
(Increase)/ Decrease in Inventories	(182.09)	(275.35)	(123.90)	(39.43)	(87.43)	13.49
(Increase)/Decrease in Trade Receivables	(50.05)	(341.25)	(37.43)	(66.68)	(28.55)	(168.87)
(Increase)/Decrease in Other Receivables	1.83	118.30	(33.16)	(70.72)	40.38	(44.89)
Increase(Decrease) in Trade Payables and Other Liabilities	93.94	366.91	(83.46)	(64.63)	20.04	146.42
SME Listing Expenses						
<b>Cash generated from operations</b>	<b>(69.06)</b>	<b>85.39</b>	<b>(153.18)</b>	<b>(139.41)</b>	<b>17.40</b>	<b>13.63</b>
Income tax Refund/ (paid) during the year	11.67	44.97	17.47	15.29	15.04	13.90
<b>Net cash from operating activities (A)</b>	<b>(80.73)</b>	<b>40.42</b>	<b>(170.65)</b>	<b>(154.70)</b>	<b>2.36</b>	<b>(0.27)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>						
Purchase of Fixed assets	(11.43)	(30.08)	(11.16)	(5.29)	(12.40)	(7.64)
(Purchase)/ Sale of Long Term Investment	-	-	-	25.00	(25.00)	-
Interest Received	-	1.00	-	-	0.55	1.33
<b>Net cash from investing activities (B)</b>	<b>(11.43)</b>	<b>(29.08)</b>	<b>(11.16)</b>	<b>19.71</b>	<b>(36.85)</b>	<b>(6.31)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>						
Proceeds from issue of share capital/application money/(refund)	-	(40.00)	-	-	-	(20.00)
Interest paid on borrowings	(19.47)	(69.90)	(62.94)	(49.03)	(26.98)	(23.49)
Proceeds/(Repayment) of Short Term Loans	90.09	168.16	96.64	171.84	48.68	18.00
Proceeds/(Repayment) of Long Term Loans	-	(62.00)	147.60	21.08	-	25.31
<b>Net cash from financing activities (C)</b>	<b>70.62</b>	<b>(3.73)</b>	<b>181.30</b>	<b>143.88</b>	<b>21.70</b>	<b>(0.18)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(21.54)</b>	<b>7.60</b>	<b>(0.51)</b>	<b>8.89</b>	<b>(12.79)</b>	<b>(6.76)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>29.44</b>	<b>21.89</b>	<b>22.39</b>	<b>12.67</b>	<b>25.46</b>	<b>32.22</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>7.89</b>	<b>29.49</b>	<b>21.89</b>	<b>22.39</b>	<b>12.67</b>	<b>25.46</b>





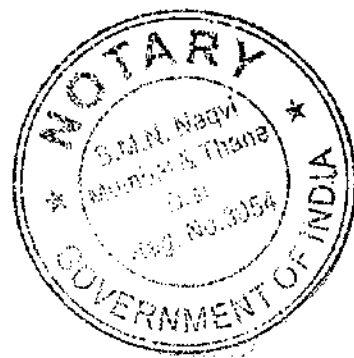
### THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	20,00,000 Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of Rs. 68/-per Equity Share aggregating Rs.1360.00Lakhs.
Fresh Issue Consisting of	
Issue Reserved for Market Makers	1,04,000Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of Rs. 68/-per Equity Share aggregating Rs. 70.72 Lakhs.
Net Issue to the Public	18,96,000Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of Rs. 68/-per Equity Share aggregating Rs. 1289.28Lakhs.
	of which:
	9,48,000Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of Rs. 68/-per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	9,48,000 Equity Shares of face value of Rs. 10/-each fully paid of the Company for cash at price of Rs. 68/-per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	55,00,000 Equity Shares
Equity Shares outstanding after the Issue	75,00,000 Equity Shares
Objects of the Issue	See the chapter titled "Objects of the Issue" on page 79 of this Prospectus

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price Process and hence, as per Regulation 43, the allocation in the net issue to public category shall be made as follows:

- (a) Minimum fifty percent to retail individual investors; and
- (b) remaining to:
  - (i) individual applicants other than retail individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For further details, please refer to chapter titled "Issue Structure" beginning on page 220 of this Prospectus.



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**GENERAL INFORMATION**

Our Company was incorporated as Libas Designs Private Limited under the provisions of the Companies Act 1956 vide certificate of incorporation dated November 10, 2004, issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a public limited company pursuant to which the name of our Company was changed to "Libas Designs Limited" vide fresh certificate of incorporation dated September 20, 2016.

For further details, please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on 131 page of this Prospectus.

**REGISTERED OFFICE OF OUR COMPANY**

**LIBAS DESIGNS LIMITED**

Gala No. 55, Apaki Industrial Premises Co-operative Society Limited,

Plot No. 246, Masrani Lane, Kurla (W),

Mumbai - 400070, Maharashtra, India

Tel: +9122 23525145

Email: info@libas.co.in

Website: www.libasfashion.com

Registration Number: 149489

Corporate Identification Number: U18101MH2004PLC149489

**CORPORATE OFFICE OF OUR COMPANY**

**LIBAS DESIGNS LIMITED**

B-201, 2nd Floor,

Duplex Height Co-op Society,

Yamuna Nagar, Andheri (W),

Mumbai :- 400053, India

Tel: +919594092800

**REGISTRAR OF COMPANIES**

**REGISTRAR OF COMPANIES, MUMBAI, MAHARASHTRA**

100, Everest,

Marine Drive

Mumbai-400002

Website: www.mca.gov.in

**DESIGNATED STOCK EXCHANGE**

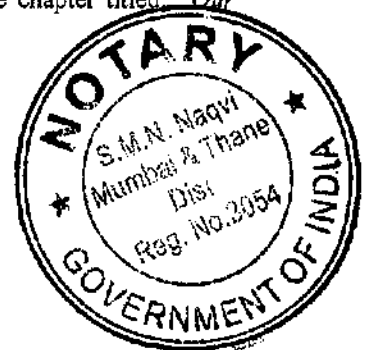
**EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LTD (NSE)**

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

Bandra-Kurla Complex, Bandra (E)

Mumbai - 400051

For details in relation to the changes to the name of our Company, please refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 131 of this Prospectus.




**BOARD OF DIRECTORS OF OUR COMPANY**

Sl. No.	Name	Age	DIN	Address	Designation
1.	Reshma Riyaz Ganji	43	07576582	Duplex Heights C.H.S., Tower 5, A Wing, Flat No 1103, Yamuna Nagar, Lokhandwala Complex, Andheri (W), Mumbai- 400053, Maharashtra, India.	Managing Director
2.	Nishant Mitrasen Mahimtura	69	02000572	4-B, Chandan Bldg, 62B, Peddar Road, Mumbai - 400026, Maharashtra, India	Executive Director
3.	Riyaz Eqbal Ganji	46	02236203	1103/1203, Tower No.5, Duplex Heights, Yamuna Nagar, Andheri (West) Mumbai 400095, Maharashtra, India	Executive Director
4.	Anand Devidas Taggarsari	50	06959365	Flat No. 13, Green Acre CHS., Plot No. 19, Amritvan, Goregaon (East) Mumbai 400063, Maharashtra, India	Non- Executive & Independent Director
5.	Vivek Padmanabh Kamath	55	07239860	201 Shubhkamana, T H Kataria Road Mahim Mumbai 400016 Maharashtra, India	Non- Executive & Independent Director
6.	Reema Deepak Varde	35	07604537	Madhuban, 1st Floor, 7 Labumum Road, Opp. Dr. Mangshkar Clinic New Gamdevi Road, Grant Road, Mumbai - 400007, Maharashtra, India	Non- Executive & Independent Director

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 135 of this Prospectus.

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

**GOVIND RAO**

**LIBAS DESIGNS LIMITED**

Gala No. 55, Apaki Industrial Premises Co-operative Society Limited,

Plot No. 246, Masrani Lane, Kurla (W),

Mumbai - 400070, Maharashtra, India

Tel: +9122 23525145

Email: cs@libas.co.in

**Residential Address:**

46, Subhash Nagar,

Ward No. 1,

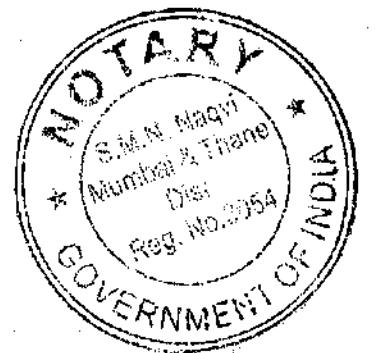
Ramganjmandi - 326519,

Rajashtan, India.

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

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

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



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**CHIEF FINANCIAL OFFICER**

**NISHANTMITRASENMAHIMTURA**

**LIBAS DESIGNS LIMITED**

Gala No. 55, Apaki Industrial Premises Co-operative Society Limited,

Plot No. 246, Masrani Lane, Kurla (W),

Mumbai - 400070, Maharashtra, India

Tel: +9122 23525145

Email: info@libas.co.in

**Residential Address:**

4-B , Chandan Bldg,

62B, Peddar Road,

Mumbai - 400026

Maharashtra, India

**STATUTORY AUDITOR**

**V.A. MISHRA & ASSOCIATES**

**Chartered Accountants**

206/207, Akruti Arcade, Opp. Wadia School,

Near Apna Bazar, J. P. Road, Andheri(W)

Mumbai - 400053, Maharashtra, India.

Tel: +919833225904

E-mail: vmishraassociates@yahoo.com

Contact Person: Mr. V.A. Mishra

ICAI Firm Registration No.: 106435W

Membership No.: 040896

**PEER REVIEW AUDITOR**

**RPMD & ASSOCIATES**

**Chartered Accountants**

AB-17, 1<sup>st</sup> Floor, Shalimar Bagh,

New Delhi - 110088

Tel:+911127472042

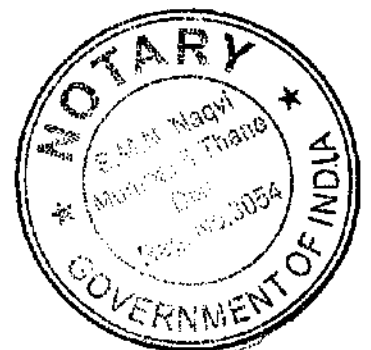
Mobile:+919811613999

E-mail: info@rpmd.in

Contact Person: Mr. Rahul Jain

ICAI Firm Registration No.: 005961C

Membership No.: 518352



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**LEAD MANAGER**

**SARTHI CAPITAL ADVISORS PRIVATE LIMITED**

159/11, Amar Brass Compound

Unit No. 411, 4<sup>th</sup> Floor, PratapBhawan,

Vidya Nagari Marg, Kalina

5, BahadurshahZafar Marg,

Santacruz (E), Mumbai – 400 098

New Delhi – 110002

Tel: (022) 26528671/72

Tel: (011) 23739425/26/27

Fax: (022) 26528673

Fax: (011) 23739424

Contact Person: Mr. Deepak Sharma.

Contact Person: Mr. Anand Lakhotia

Email: ipo@sarthiwm.in

SEBI Registration No.: INM000012011

**REGISTRAR TO THE ISSUE**

**BIGSHARE SERVICES PRIVATE LIMITED**

E2 Ansa Industrial Estate,

Sakivihar Road, Sakinaka

Andheri East, Mumbai – 400072.

Tel: +9122 40430200

Fax: +91 22 28475207

E-mail: ipo@bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Registration No.: INR000001385

**LEGAL ADVISOR TO THE ISSUE**

**SAMBHAJI R. RANE**

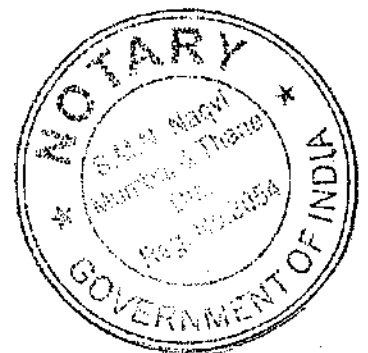
A/5 303 Shiv Chhaya C.H.S. Ltd, Gilbert Hill Road,

Andheri(W), Mumbai-400058.

Tel:+919819050102

E-mail:sambhajirane@yahoo.co.in

Contact Person: Mr.Sambhaji R. Rane



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**BANKER TO THE COMPANY**

**UNION BANK OF INDIA**  
100, BTM Compound,  
Lal Bahadur Shastri Marg,  
Bhandup West,  
Mumbai, Maharashtra 400078  
Tel: +912225961572  
Fax: +9122 25963248  
Email: cbsbhandup@unionbankofindia.com  
Website: www.unionbankofindia.com  
Contact Person: Mr. Ashutosh Kumar

**BANKER TO THE ISSUE/ PUBLIC ISSUE BANK**

**YES BANK LIMITED**  
Yes Bank Tower, IF2, 8<sup>th</sup> Floor,  
Elphinston (W), Senapati Bapat Marg,  
Mumbai - 400013 Tel: 022-33477374/7259  
Fax: 022-66699010  
Email: dlbtiservices@yesbank.in  
Contact Person: Mr. Alok Srivastava/ Mr. Shankar Vichare  
SEBI Registration No.: INBI00000935

**REFUND BANKER**

**YES BANK LIMITED**  
Yes Bank Tower, IF2, 8<sup>th</sup> Floor,  
Elphinston (W), Senapati Bapat Marg,  
Mumbai - 400013  
Tel: 022-33477374/7259  
Fax: 022-66699010  
Email: dlbtiservices@yesbank.in  
Contact Person: Mr. Alok Srivastava/ Mr. Shankar Vichare  
SEBI Registration No.: INBI00000935

**SELF CERTIFIED SYNDICATE BANKS**

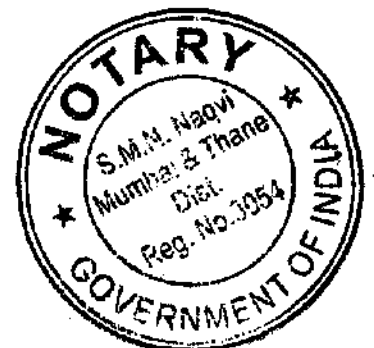
The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1480483399603.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html). For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

**CREDIT RATING**

This being an issue of Equity shares, credit rating is not required.

**IPO GRADING**

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





#### APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 1360.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, the Audit Committee of our Company, would be monitoring the utilization of proceeds of the Issue.

#### INTER-SE ALLOCATION OF RESPONSIBILITIES

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

#### EXPERT OPINION

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

#### DEBENTURE TRUSTEE

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

#### UNDERWRITER

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated September 22, 2016, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Sarthi Capital Advisors Private Limited</b> 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai - 400098 Tel: (022) 26528671/72 Fax: (022) 26528673 Email: ipo@sarthiwm.in Contact Person: Mr. Deepak Sharma SEBI Registration No.: INM000012011	20,00,000	1360.00	100.00
<b>Total</b>	<b>20,00,000</b>	<b>1360.00</b>	<b>100.00</b>

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall be paid a commission at the rate of 0.50% of the net offer to the public.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated September 22, 2016 with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:





**CHOICE EQUITY BROKING PRIVATE LIMITED**

Shree Shakambhari Corporate Park,  
156-158, Chakravati Ashok Society,  
J.B. Nagar, Andheri (E), Mumbai – 400099  
Tel:+ 91 22 67079810  
Fax:+ 91 22 67079898  
E-mail: sme@choiceindia.com

**Contact Person:** Mr. Premkumar Harikrishnan

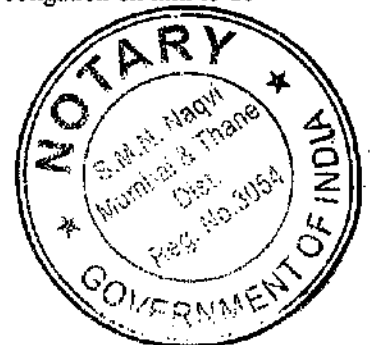
**SEBI Registration No.:** INB231377335

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 % of Issue Size (Including the 1,04,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,04,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.





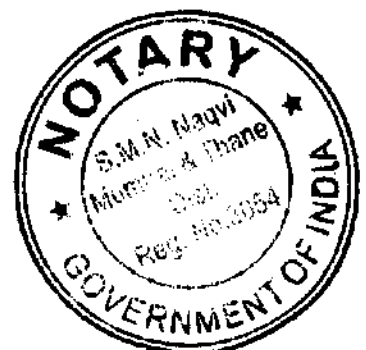
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

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

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

13. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.



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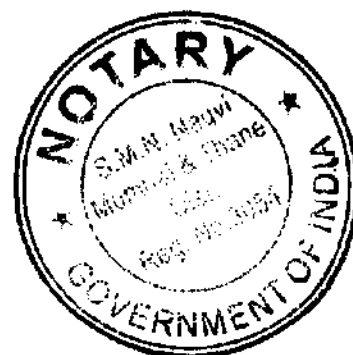


### CAPITAL STRUCTURE

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

(Rs. In Lakhs except share data)

Sl. No	Particulars	Aggregate Value	
		Face Value	Issue Price
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	110,00,000 Equity Shares of face value of Rs. 10 each	1100.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>		
	55,00,000 fully paid up Equity Shares of face value of Rs. 10 each	550.00	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF PROSPECTUS*</b>		
	20,00,000 Equity Shares of face value of Rs. 10 each	200.00	1360.00
	Which comprises of:		
	1,04,000 Equity Shares of face value of Rs.10 each at a premium of Rs. 58 per Equity Share reserved as Market Maker Portion	10.40	70.72
	Net Issue to Public of 18,96,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 58 per Equity Share to the Public	189.60	1289.28
	Of which		
	9,48,000 Equity Shares of face value of Rs.10 each at a premium of Rs. 58 per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	94.80	644.64
	9,48,000 Equity Shares of face value of Rs.10 each at a premium of Rs. 58 per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	94.80	644.64
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE</b>		
	75,00,000 Equity Shares of face value of Rs. 10 each	750.00	





E	<b>SECURITIES PREMIUM ACCOUNT</b>	
	Before the Issue	Nil
	After the Issue	1160.00

*\*The Issue has been authorized pursuant to a resolution of our Board dated September 21, 2016 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on September 21, 2016.*

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

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

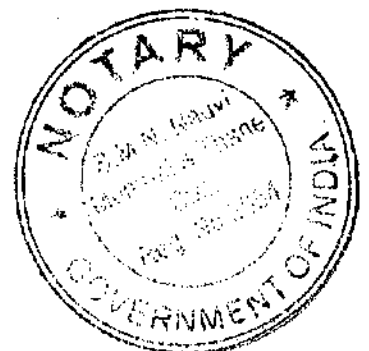
#### NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

- The Initial Authorized Share Capital of Rs. 5,00,000/- (Rupees Five Lakh only) consisting of 50,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 1,00,00,000/- (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated September 15, 2008.
- The authorized capital of Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10 each was increased to Rs.11,00,00,000/- (Rupees Eleven Crore only) consisting of 1,10,00,000 Equity Shares of face value of Rs.10 each pursuant to a resolution of the shareholders dated August 04, 2016.

#### 1. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid up Capital
On Incorporation	10,000	10	10	Subscription to MOA <sup>(1)</sup>	Cash	10,000	1,00,000
October 11, 2008	9,90,000	10	10	Further Allotment <sup>(2)</sup>	Cash	10,00,000	1,00,00,000
August 10, 2016	25,00,000	10	Nil	Bonus Issue <sup>(3)</sup>	Consideration Other than Cash	35,00,000	3,50,00,000
September 6, 2016	8,09,400	10	10	Rights Issue <sup>(4)</sup>	Cash	43,09,400	4,30,94,000
September 12, 2016	11,90,600	10	10	Rights Issue <sup>(5)</sup>	Cash	55,00,000	5,50,00,000





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

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. NishantMitrassenMahimtura	5,000
2.	Mr. RiyazEqbalGanji	5,000
	<b>Total</b>	<b>10,000</b>

(2) The Company further allotted 9,90,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below.

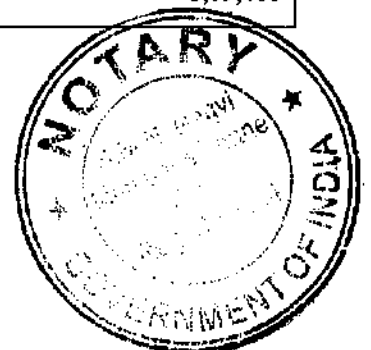
Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. NishantMitrassenMahimtura	4,95,000
2.	Mr. RiyazEqbalGanji	2,45,000
3.	Mrs. ReshmaRiyazGanji	2,50,000
	<b>Total</b>	<b>9,90,000</b>

(3) The Company allotted 25,00,000 Equity Shares as bonus issue of face value of Rs. 10/- each in the ratio of 2.5 equity share for every 1 Equity Share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. NishantMitrassenMahimtura	12,50,000
2.	Mr. RiyazEqbalGanji	6,25,000
3.	Mrs. ReshmaRiyazGanji	6,25,000
	<b>Total</b>	<b>25,00,000</b>

(4) The Company allotted 8,09,400 Equity Shares as rights issue of face value of Rs. 10/- each in the ratio of 4 equity share for every 7 Equity Share as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Riyaz Eqbal Ganji	3,73,900
2.	Mrs. Reshma Riyaz Ganji	3,60,000
3.	Mrs. Pushpalatha S Shetty	70,000
4.	Ms. Mamta Kapur	5,500
	<b>Total</b>	<b>8,09,400</b>





- <sup>(5)</sup> The Company allotted 11,90,600 Equity Shares as rights issue of face value of Rs. 10/- each in the ratio of 277 equity share for every 1,000 Equity Share as per the details given below.

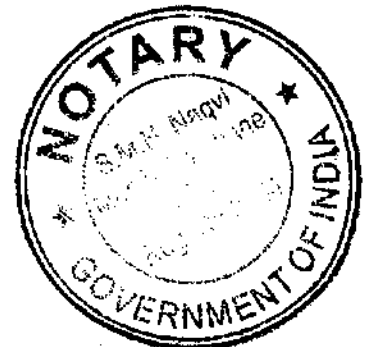
Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Nishant Mitrasen Mahimtura	5,10,000
2.	Mrs. Suchitra Nishant Mahimtura	3,50,000
3.	Mr. K Seetharam Shetty	70,000
4.	Ms. Manisha Gupta	1,27,500
5.	Yatin Shah HUF	1,27,500
6.	Mr. Suresh Tiwari	5,500
7.	Mr. Aman Riyaz Ganji	100
	<b>TOTAL</b>	<b>11,90,600</b>

2. Issue of Equity Shares for consideration other than cash (Issue of Bonus Shares) on August 10, 2016.

Date of shareholder's approval	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No. of Shares Allotted
August 10, 2016	25,00,000	10	Nil	Other than cash	Bonus issue of Equity Shares in the Ratio 2.5:1	Mr. Nishant Mitrasen Mahimtura	12,50,000
						Mr. RiyazEqbalGanji	6,25,000
						Mrs. ReshmaRiyazGanji	6,25,000
						<b>Total</b>	<b>25,00,000</b>

No benefits have accrued to the Company out the above issuances.

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





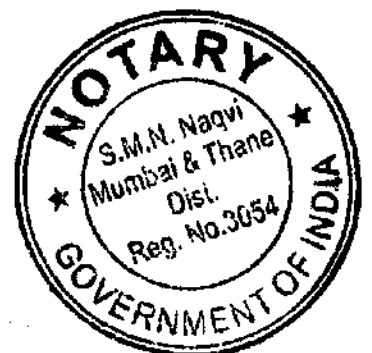
4. We have not issued any equity shares in last one year at price below Issue Price except the following:

(i) The Company allotted 8,09,400 Equity Shares as rights issue of face value of Rs. 10/- each in the ratio of 4 equity share for every 7 Equity Share at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Riyaz Eqbal Ganji	3,73,900
2.	Mrs. Reshma Riyaz Ganji	3,60,000
3.	Mrs. Pushpalatha S Shetty	70,000
4.	Ms. Mamta Kapur	5,500
	<b>TOTAL</b>	<b>8,09,400</b>

(ii) The Company allotted 11,90,600 Equity Shares as rights issue of face value of Rs. 10/- each in the ratio of 277 equity share for every 1,000 Equity Share at par as per the details given below.

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Nishant Mitrasen Mahimtura	5,10,000
2.	Mrs. Suchitra Nishant Mahimtura	3,50,000
3.	Mr. K Seetharam Shetty	70,000
4.	Ms. Manisha Gupta	1,27,500
5.	Yatin Shah HUF	1,27,500
6.	Mr. Suresh Tiwari	5,500
7.	Mr. Aman Riyaz Ganji	100
	<b>TOTAL</b>	<b>11,90,600</b>



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## 5. Details of shareholding of promoters.

## A. Mr. NishantMitrassenMahimtura

Date of Allotment/Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	No. of Shares Pledged	% of Shares Pledged
On Incorporation	5,000	10	10	Subscription to MOA	0.09	0.07	0	0.00%
October 11, 2008	4,95,000	10	10	Further Allotment	9.00	6.60	0	0.00%
August 10, 2016	12,50,000	10	NIL	Bonus Issue	22.73	16.67	0	0.00%
September 12, 2016	5,10,000	10	10	Rights Issue	9.27	6.80	0	0.00%
<b>Total</b>	<b>22,60,000</b>				<b>41.09</b>	<b>30.14</b>	<b>0</b>	<b>0.00%</b>

## B. Mr. RiyazEqbalGanji

Date of Allotment/Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	No. of Shares Pledged	% of Shares Pledged
On Incorporation	5,000	10	10	Subscription to MOA	0.09	0.07	0	0.00%
October 11, 2008	2,45,000	10	10	Further Allotment	4.45	3.27	0	0.00%
August 10, 2016	6,25,000	10	NIL	Bonus Issue	11.36	8.33	0	0.00%
September 06, 2016	3,73,900	10	10	Rights Issue	6.80	4.99	0	0.00%
<b>Total</b>	<b>12,48,900</b>				<b>22.70</b>	<b>16.65</b>	<b>0</b>	<b>0.00%</b>





**C. Mrs. Reshma Riyaz Ganji**

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	No. of Shares Pledged	% of Shares Pledged
October 11, 2008	2,50,000	10	10	Further Allotment	4.55	3.33	0	0.00%
August 10, 2016	6,25,000	10	NIL	Bonus Issue	11.36	8.33	0	0.00%
September 06, 2016	3,60,000	10	10	Rights Issue	6.55	4.80	0	0.00%
October 21, 2016	100	10	68	Transfer	0.00	0.00	0	0
<b>Total</b>	<b>12,35,100</b>				<b>22.46</b>	<b>16.46</b>	<b>0</b>	<b>0.00%</b>

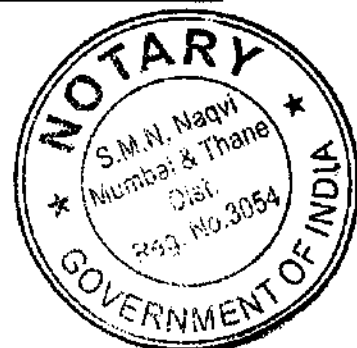
6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months except as per details given below:

Details of Rights Issue dated September 06, 2016

Sr. No.	Name of the Shareholder	Rights Offered	Exercised	Renounced	New Allotees
1	Nishnat Mitrasen Mahimtura	10,00,000	-	-	-
2	Riyaz Eqbal Ganji	5,00,000	3,73,900	-	-
3	Reshma Riyaz Ganji	5,00,000	3,60,000	75,500	-
4	Pushpalatha S. Shetty	-	-	-	70,000
5	Mamta Kapoor	-	-	-	5,500
<b>Total</b>		<b>20,00,000</b>	<b>7,33,900</b>	<b>75,500</b>	<b>75,500</b>

Details of Rights Issue dated September 12, 2016

Sr. No.	Name of the Shareholder	Rights Offered	Exercised	Renounced	New Allotees
1	Nishnat Mitrasen Mahimtura	4,84,750	4,84,750	-	25,250
2	Riyaz Eqbal Ganji	3,45,945	-	3,45,945	-
3	Reshma Riyaz Ganji	3,42,095	-	3,40,515	-
4	Pushpalatha S. Shetty	19,390	-	19,390	-
5	Mamta Kapoor	1,524	-	0	-
6	Suchitra Nishant Mahimtura	-	-	-	3,50,000
7	K Seetharam Shetty	-	-	-	70,000
8	Yatin Shah HUF	-	-	-	1,27,500
9	Manisha Gupta	-	-	-	1,27,500
10	Suresh Tiwari	-	-	-	5,500
11	Aman Ganji	-	-	-	100
	<b>Total</b>	<b>11,93,704</b>	<b>4,84,750</b>	<b>7,05,850</b>	<b>7,05,850</b>



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## Detail of Share Transfer

Sr. No.	Name of the Transferor	Name of Transferee	Date of Transfer	No. of Shares	Transfer Price (In Rs.)
1	Aman Riyaz Ganji	Reshma Riyaz Ganji	October 21, 2016	100	6,800

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

Sr. No.	Name of the Promoter	Name & Address of the Lender	PAN of the Lender	Amount (In Rs.)
1.	Mrs. Reshma Riyaz Ganji	Aneri Fincap Limited (Formerly known as Farry Industries Limited, ) No 289/2 Kalpatru Soc B Bldg, Office No. 15 Timber Market Road , Karring Hospital, Ghorpade, Peth, Pune – 411042.	AAACF4897R	51,00,000/-
2.	Mr. Nishant Mitrasen Mahimtura	Aneri Fincap Limited (Formerly known as Farry Industries Limited, ) No 289/2 Kalpatru Soc B Bldg, Office No.15 Timber Market Road, Karring Hospital, Ghorpade,Peth, Pune – 411042.	AAACF4897R	35,00,000/-
3.	Mr. Riyaz Eqbal Ganji	Aneri Fincap Limited (Formerly known as Farry Industries Limited, ) No 289/2 Kalpatru Soc B Bldg, Office No. 15 Timber Market Road, Karring Hospital,Ghorpade, Peth, Pune – 411042.	AAACF4897R	37,00,000/-

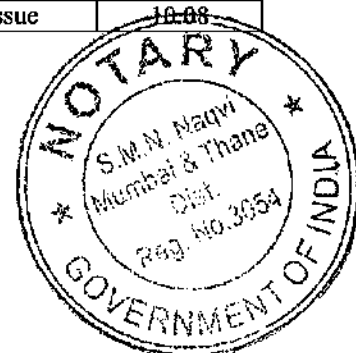
8. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately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

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

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

Our Promoter have granted consent to include such number of Equity Shares held by them as may constitute 20.16% of the post-issue Equity Share Capital of our Company as Promoters Contribution and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
<b>Mr. Nishant Mitrasen Mahimtura</b>						
August 10,	August 10,	7,56,000	10	N/A	Bonus Issue	10.08





2016	2016					
<b>Mr. RiyazEqbalGanji</b>						
August 10, 2016	August 10, 2016	3,78,000	10	N/A	Bonus Issue	5.04
<b>Mrs. ReshmaRiyazGanji</b>						
August 10, 2016	August 10, 2016	3,78,000	10	N/A	Bonus Issue	5.04
<b>Total (A+B+C)</b>		<b>15,12,000</b>				<b>20.16</b>

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

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

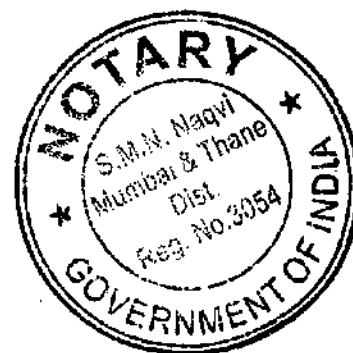
The Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters'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

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

#### 10. Details of share capital locked in for one year

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

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





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

I. Summary of Shareholding Pattern

Category Code	Category of shareholder	No. of shareholders	No. of shares held		No. of Depository Receipts	Total nos. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities*		No. of Voting Rights (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital)	Number of Shares locked in	Number of Shares pledged or otherwise encumbered	Number of shares held in dematerialized form
			Partly paid up equity shares held	Fully paid up equity shares held				Class X	Class Y					
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX	X	XI=VII+X	XII	XIII	XIV	
	Promoters and Promoter	6	52,34,000	-	-	52,34,000	95.16	52,34,000	0	52,34,000	95.16	52,34,000	-	52,34,000

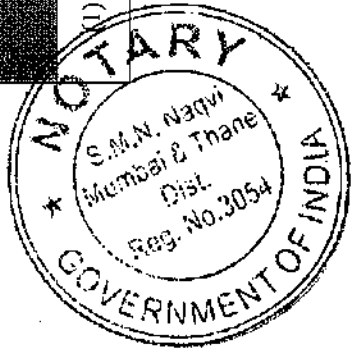






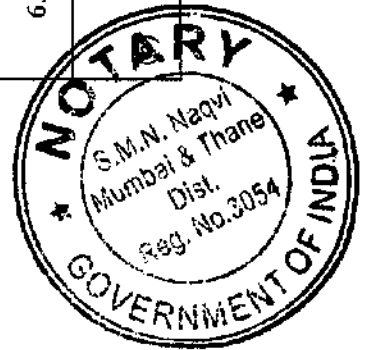
2. Shareholding Pattern of Promoters and Promoter Group

Category & name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held (IV)	No. of partly paid up equity shares held (V)	Total nos. shares held (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Class as per Classifications: X, Y	Total as a % of (A+B+C)	No. of Securities Underlying Outstanding and being convertible securities (as a percentage of diluted share Capital)	Shareholding as a % assuming full conversion of convertible securities	No. of Locked in Shares**	Number of Shares pledged or otherwise encumbered	Number of shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)=(V)+(X)	(XII)	(XIII)	(XIV)	(XV)
Indian														



**LIBAS**

(a)	Individual/Hindu Undivided Family	-	6	-	-	-	52,34,000	95.16	52,34,000	-	-	95.16	52,34,000	-	-	95.16	52,34,000	-	-	95.16	52,34,000	-	-	95.16	52,34,000
1.	Mr. NishantMitra Mahimtura	AACP M1240 J	1	22,60,000	-	-	22,60,000	41.09	22,60,000	-	-	41.09	22,60,000	-	-	41.09	22,60,000	-	-	41.09	22,60,000	-	-	41.09	22,60,000
2.	Mr. RiyazEqbalGanji	AADP A6454 B	1	12,48,900	-	-	12,48,900	22.71	12,48,900	-	-	22.71	12,48,900	-	-	22.71	12,48,900	-	-	22.71	12,48,900	-	-	22.71	12,48,900
3.	Mrs. ReshmaRiyaz Ganji	AJDPG 4031D	1	12,35,100	-	-	12,35,100	22.45	12,35,100	-	-	22.45	12,35,100	-	-	22.45	12,35,100	-	-	22.45	12,35,100	-	-	22.45	12,35,100
4.	Mrs. SuchitraNishantMahimtura	AIRPM 5001A	1	3,50,000	-	-	3,50,000	6.36	3,50,000	-	-	6.36	3,50,000	-	-	6.36	3,50,000	-	-	6.36	3,50,000	-	-	6.36	3,50,000
5.	Mr.K. Seetharam Shetty	AUNP S7219 Q	1	70,000	-	-	70,000	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000
6.	Mrs. Pushpalatha Shetty	AAKP S6584P	1	70,000	-	-	70,000	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000	-	-	1.27	70,000



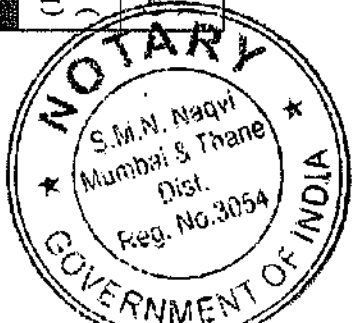






3. Shareholding Pattern of the Public shareholder.

Category & name of shareholder	P A N	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities	No. of Shares Underlying Outstanding convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Shareholding, as a % assuming full conversion of convertible securities	Number of Shares locked in	Number of Shares pledged or otherwise encumbered	Number of shares held in dematerialized form
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-



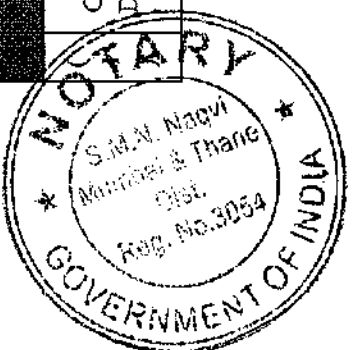






IV. Shareholding pattern of the Non-Promoter- Non Public shareholder

Category & name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of partially paid up equity shares held	No. of fully paid up equity shares held	No. of partially paid up equity shares held	No. of shares under Depository Receipts	Total nos. shares held	As a % of (A+B+C2)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	No. of Voting Rights	Total as a % of Total Voting rights	CI : X	CF : Y	Total Voting rights	No. of Shares Underlying Outstanding convertible securities (including convertible securities (as a percentage of diluted share Capital) as a % of (A+B+C2))	Total Shareholding as a % assuming full conversion of convertible securities (as a % of total shares held (B))	Number of locked in Shares	Number of Shares pledged or otherwise encumbered	Number of shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)	(XVIII)	(XIX)	(XX)	(XXI)
Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

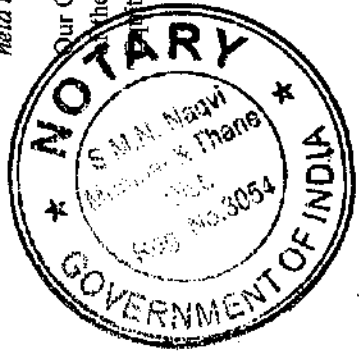


**SHARES**

q	Name of DR Holder (if applicable)													
( 2 )	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)													
	Total Non-Promoter-Non Public Shareholding	(C)=(C)(1)	+(C)(2)											

\*In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and atleast 50% of the Equity Shares held by the public shareholders have been dematerialised.

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





### B. Shareholding of our Promoters and Promoter Group

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

Sr. No.	Name of the Shareholder	Pre - Issue		Post - Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoters</b>				
1.	Mr. NishantMitrassenMahimtura	22,60,000	41.09	22,60,000	30.13
2.	Mr. RiyazEqbalGanji	12,48,900	22.71	12,48,900	16.65
3.	Mrs. ReshmaRiyazGanji	12,35,100	22.46	12,35,100	16.47
	<b>Promoters Group</b>				
1.	Mrs. SuchitraMahimtura	3,50,000	6.36	3,50,000	4.67
2.	Mr. K Seetharam Shetty	70,000	1.27	70,000	0.93
3.	Mrs. Pushpalatha S Shetty	70,000	1.27	70,000	0.93
	<b>Total</b>	<b>52,34,000</b>	<b>95.16</b>	<b>52,34,000</b>	<b>69.78</b>

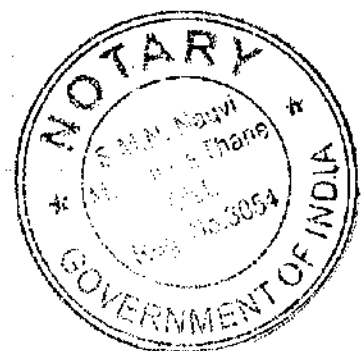
The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. NishantMitrassenMahimtura	22,60,000	4.47
Mr. RiyazEqbalGanji	12,48,900	5.00
Mrs. Reshma Riyaz Ganji	12,35,100	4.94

#### Equity Shares held by top Ten shareholders

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Mr. Nishant Mitrassen Mahimtura	22,60,000	41.09
2.	Mr. Riyaz Eqbal Ganji	12,48,900	22.71



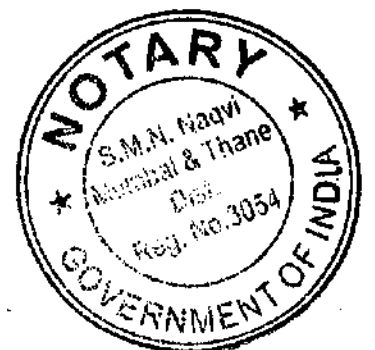
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Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
3.	Mrs. Resham Riyaz Ganji	12,35,100	22.45
4.	Mrs. Suchitra Nishant Mahimtura	3,50,000	6.36
5.	Ms. Manisha Gupta	1,27,500	2.32
6.	Yatin Shah HUF	1,27,500	2.32
7.	Mr. K Seetharam Shetty	70,000	1.27
8.	Mrs. Pushpalatha S Shetty	70,000	1.27
9.	Ms. MamtaKapur	5,500	0.10
10.	Mr. Suresh Tiwari	5,500	0.10
	<b>Total</b>	<b>55,00,000</b>	<b>100.00</b>

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Mr. Nishant Mitrasen Mahimtura	22,60,000	41.09
2.	Mr. Riyaz Eqbal Ganji	12,48,900	22.71
3.	Mrs. Resham Riyaz Ganji	12,35,100	22.45
4.	Mrs. Suchitra Nishant Mahimtura	3,50,000	6.36
5.	Ms. Manisha Gupta	1,27,500	2.32
6.	Yatin Shah HUF	1,27,500	2.32
7.	Mr. K Seetharam Shetty	70,000	1.27
8.	Mrs. Pushpalatha S Shetty	70,000	1.27
9.	Ms. MamtaKapur	5,500	0.10
10.	Mr. Suresh Tiwari	5,500	0.10
	<b>Total</b>	<b>55,00,000</b>	<b>100.00</b>



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

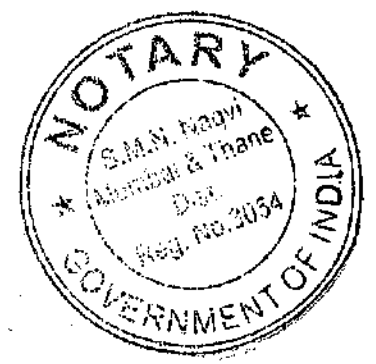
Sr. No.	Name of shareholder	No. of Shares	% age of then existing capital
1.	Mr. NishantMitraserMahimtura	5,00,000	50.00
2.	Mr. RiyazEqbalGanji	2,50,000	25.00
3.	Mrs. ReshmaRiyazGanji	2,50,000	25.00
	<b>Total</b>	<b>10,00,000</b>	<b>100.00</b>

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

11. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
12. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
13. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
14. Except, as otherwise disclosed in the chapter titled "Objects of the Issue" beginning on page 79 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
15. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on Page 232 of this Prospectus.
16. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
17. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Prospectus except as mentioned below:

Date of Allotment of the Equity Shares	No. of Equity Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration
September 06, 2016	8,09,400	10	10	Rights Issue	Cash
September 12, 2016	11,90,600	10	10	Rights Issue	Cash
<b>Total</b>	<b>20,00,000</b>				

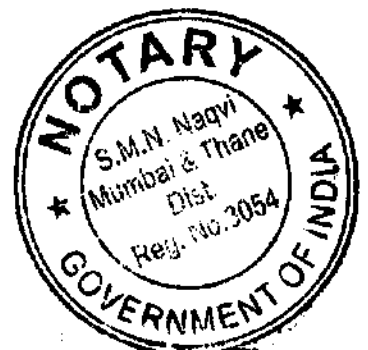
18. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
19. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE-EMERGE Platform.



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20. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
21. The Issue is being made through Fixed Price Method.
22. As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
23. On the date of filing this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
24. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
25. Lead Manager to the Issue viz. Sarthi Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
26. Our Company has not revalued its assets since incorporation.
27. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
28. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
29. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
30. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
31. Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
32. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
33. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has Ten (10) shareholders as on the date of filing of this Prospectus.



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**OBJECTS OF THE ISSUE**

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

The objects of the Issue are: -

- 1. To set up 4 new stores;
- 2. To meet the working capital requirements of our Company including margin money;
- 3. General Corporate Purposes;
- 4. Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

**FUND REQUIREMENTS:**

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

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

(Rs. In lakhs)

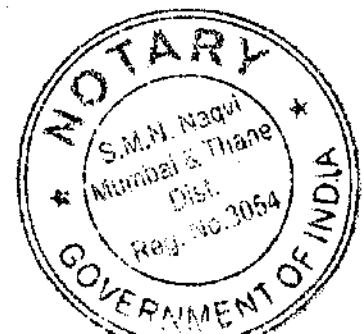
Sr. No.	Particulars	Total
1.	To set up 4 new stores	400.00
2.	Working Capital Requirements	700.00
3.	General Corporate Purposes	220.00
4.	*Issue Expenses	40.00
	<b>Total</b>	<b>1,360.00</b>

\* As on December 09, 2016, our Company has incurred a sum of Rs. 8,88,275/- (Rupees Eight Lacs Eighty Eight Thousand Two Hundred Seventy Five only) towards issue expenses.

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

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

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





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

#### DETAILS OF UTILIZATION OF ISSUE PROCEEDS

##### 1. Set up 4 new Stores

We plan to leverage the brand equity enjoyed by our brand, "LIBAS RYAZ GANGJI" to selectively expand within domestic markets. Currently, we have stores in Maharashtra & Punjab and we have an International store in Dubai (UAE). As we aim to expand our business, we are targeting to open new stores in Chennai/Hyderabad, Kolkata and 2 new stores in Delhi NCR. We propose to utilize a sum of Rs. 400.00 lakhs towards setup of new stores in the FY 2016-17 and FY 2017-18. The time period for set up of a store is dependent on its size and geographical location of the store.

We have identified locations for setting up of new stores. All the expenses for such setup will be paid through the Issue Proceeds. We have not entered into any specific agreement for the proposed setup of stores but have severally identified the locations and cost estimates for opening of each store. The cost of store is merely an estimate and actual price at which the stores will be taken on lease may be different.

The estimated cost for establishment of the new stores primarily comprises of costs towards:

- (i) Payment of security deposit;
- (ii) Interior costs;
- (iii) Inauguration costs.

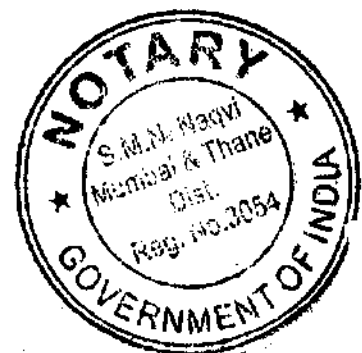
The table below sets forth the total estimated costs for establishment of 4 new stores:

Particulars	Total Estimated Costs (Rs in Lakhs)
Security Deposits	48.00
Interior Costs	304.00
Inauguration Costs	48.00
<b>Total</b>	<b>400.00</b>

**Security Deposits:** We propose to utilize an amount of Rs 12.00 lakhs per store i.e. Rs. 48.00 lakhs in aggregate out of the Net proceeds of the Issue towards payment of security deposit for new stores. This amount is computed on the basis of approximately three months rent to be paid in advance, which is based on our internal estimates of rent payable for the new stores.

**Interior Costs:** Interior costs will include expenses in relation to furniture, fixtures, fit-outs, painting, plumbing & drainage works, fire-fighting and safety equipment. We have estimated that interior costs will aggregate approximately to Rs. 76.00 lakhs per store i.e. Rs. 304.00 Lakhs in aggregate.

**Inauguration Costs:** We propose to make grand openings of our stores which will cost us a considerable amount. The costs here includes refreshment, decoration and inviting celebrities. We propose to utilize an amount of Rs 12.00 lakhs per store i.e. Rs. 48.00 lakhs in aggregate out of the Net proceeds.





None of our Promoters or Directors or Group Companies have any interest in the proposed procurement of any store as stated above. The Promoters do not have any interest in any entities from whom quotations have been obtained.

## 2. Working Capital Requirements

(Rs. in Lakhs)

Particulars	2014-15 (Audited)	2015-16 (Audited)	2016-17 (Estimated)
<b>Current Assets</b>			
Cash & Cash Equivalents	20.69	23.59	692.77
Trade Receivables	557.81	899.05	1,066.67
Inventories	530.75	806.10	1,077.17
Other Current Assets	160.85	31.40	296.03
<b>Total (A)</b>	<b>1,270.10</b>	<b>1,760.14</b>	<b>3,132.64</b>
<b>Current Liabilities</b>			
Trade Payables	332.78	658.95	213.33
Other Current Liabilities	15.00	10.63	50.00
Statutory liabilities	17.66	30.91	30.00
Short Term Provisions	50.47	62.43	86.03
<b>Total (B)</b>	<b>415.91</b>	<b>762.92</b>	<b>379.37</b>
<b>Net Working Capital (A)-(B)</b>	<b>854.19</b>	<b>997.22</b>	<b>2,753.27</b>
<b>Sources Of Working Capital</b>			
Fund Based Borrowings	-	616.20	1,100.00*
IPO Proceeds			700.00
Internal Sources/Share Capital			953.27

\*Subject to opening of 4 stores as aforesaid.

The Company's business is working capital intensive and they avail their working capital in the ordinary course of business from Union Bank of India. As on March 31, 2015 and March 31, 2016 the Company's net working capital consisted of Rs. 854.19 Lakhs and Rs. 997.22 Lakhs respectively.

The total working capital requirement for the year 2016-17 is expected to be Rs. 2,753.27 Lakhs. The incremental working capital requirement for the year ended 2016-17 will be Rs. 1,756.05 Lakhs which will be met through the Net Proceeds to the extent of Rs. 700.00 lakhs and the balance portion will be met through working capital loans and Internal sources/share capital.

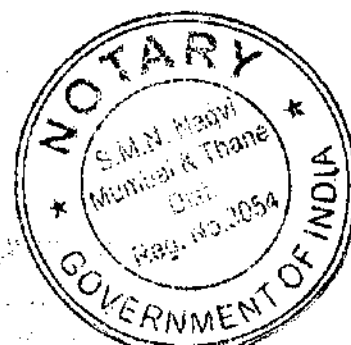
### BASIS OF ESTIMATION

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2016-17 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

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

(No. of Days)

Particulars		Basis	2014-15	2015-16	2016-17
Trade Receivables	Sales		114	151	120
Inventory	Materials	Purchases	53	62	60





	Finished Goods	Cost of Production	83	98	90
Trade Payables		Purchases	86	132	30

The creditors have reduced substantially as our company would be utilizing Issue proceeds for better cash management.

#### GENERAL CORPORATE PURPOSE

Our Company intends to deploy the balance Net Proceeds aggregating to Rs. 220.00 lakhs for General Corporate Purposes as decided by our Board from time to time, including but not restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

#### ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 40.00 Lakhs.

(Rs. in Lakhs)

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	35.00	87.50	2.57
Regulatory Fees & Other Expenses	5.00	12.50	0.37
<b>Total estimated Issue expenses</b>	<b>40.00</b>	<b>100.00</b>	<b>2.94</b>

#### Deployment of Funds:

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

(Rs. In Lakhs)

Particulars	Total Funds required	Amount incurred till December 09, 2016	Balance deployment during FY 2016-17	Balance deployment during FY 2017-18
Set up of 4 Stores	400.00	-	100.00	300.00
Working Capital	700.00	-	700.00	-
General Corporate Purpose	220.00	-	220.00	-
*Issue Expenses	40.00	8.88	31.12	-
<b>Total</b>	<b>1360.00</b>	<b>8.88</b>	<b>1051.12</b>	<b>300.00</b>

\* As on December 09, 2016, our Company has incurred a sum of Rs. 8,88,275/- (Rupees Eight Lacs Eighty Eight Thousand Two Hundred Seventy Five only) towards issue expenses.

M/s. V.A. Mishra & Associates, Statutory Auditor have vide certificate dated December 09, 2016 confirmed that as on December 09, 2016 following funds were deployed for the proposed Objects of the Issue:



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Source	Estimated Amount (in lakhs)
Internal Accruals	8.88
<b>Total</b>	<b>8.88</b>

#### MEANS OF FINANCE

(Rs. in Lakhs)

Particulars	Estimated Amount
Net Proceeds	1360.00
Internal Accruals	Nil
<b>Total</b>	<b>1360.00</b>

#### APPRAISAL BY APPRAISING AGENCY

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

#### INTERIM USE OF FUNDS

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

#### BRIDGE FINANCING FACILITIES

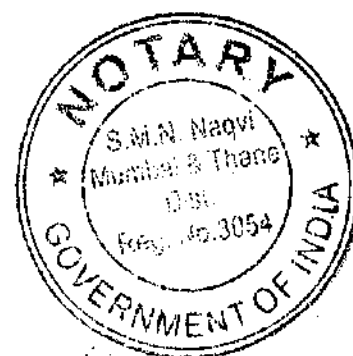
Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of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

#### MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

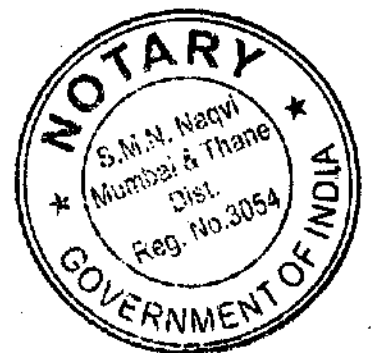
Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the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

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



**VARIATION IN OBJECTS**

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





### BASIS FOR ISSUE PRICE

The Issue Price of Rs. 68 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 68 per Equity Share and is 6.8 times the face value.

#### QUALITATIVE FACTORS

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

- Established and proven track record;
- Reputed Brand “LIBAS RIYAZ GANGJI”
- Key customer base for our brand;
- Strong in-house design facilities;
- Leveraging the experience of our Promoters;
- Experienced management team;

For further details, refer to heading ‘*Our Strengths*’ under chapter titled ‘*Our Business*’ beginning on page 103 of this Prospectus.

#### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2013-14, 2014-15 and 2015-16 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2014	0.95	1
March 31, 2015	1.01	2
March 31, 2016	2.60	3
<b>Weighted Average</b>	<b>1.80</b>	

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

##### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 68 per Equity Share of face value of Rs. 10/- each.

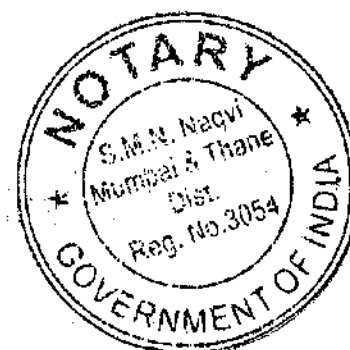
Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2015-16	26.15
P/E ratio based on Weighted Average EPS	37.78

##### 3. Average Return on Net worth (Ron) for the preceding three years.

Return on Net Worth (“Ron”) as per restated financial statements

Year ended	Ron (%)	Weight
March 31, 2014	14.69	1
March 31, 2015	13.43	2
March 31, 2016	25.77	3
<b>Weighted Average</b>	<b>19.81</b>	

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





**4. Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2016 – 10.19%**

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

Particulars	Amount (Rs.)
Net Asset Value per Equity Share as of March 31, 2016 (After Bonus effect)	10.09
Net Asset Value per Equity Share after the Issue	25.51
Issue Price per equity share	68.00

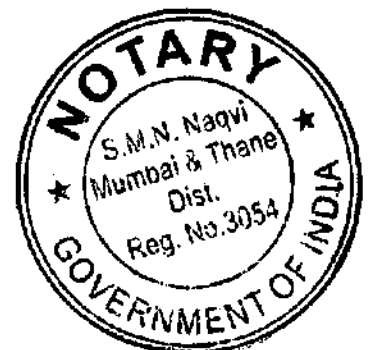
NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares

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

We believe that there are no listed companies in India which are solely engaged in same type of business like ours. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs. 68.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors beginning on page 19 of this Prospectus and Financials of the company as set out in the Financial Statements beginning on page 156 of this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10 per share and the Issue Price is 6.80 times of the face value i.e. Rs. 68 per share.

For further details see "Risk Factors" beginning on page 19 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 156 of this Prospectus for a more informed view.





**STATEMENT OF TAX BENEFITS**

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

To,  
**The Board of Directors**  
**Libas Designs Limited**  
 Gala No. 55, Apaki Industrial Premises Co-operative Society Limited,  
 Plot No. 246, Masrani Lane, Kurla (W),  
 Mumbai – 400070, Maharashtra.

We hereby confirm that the enclosed annexure, prepared by **Libas Designs Limited** ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), 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 or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure 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 hence 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.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

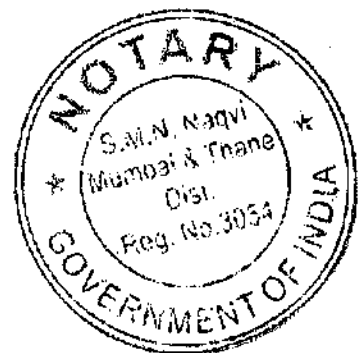
- The Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits, where applicable have been/would be met.

For **V.A. Mishra & Associates**

Chartered Accountants  
**F.R.N. 106435W**

**V.A. Mishra**  
 Proprietor  
**M.No. 040896**

Place: Mumbai  
 Date: November 30, 2016





**ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO LIBAS DESIGNSLIMITED AND ITS SHAREHOLDERS**

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17.

**Benefits to the Company under the Income Tax Act, 1961 (The "Act")**

**1. General tax benefits**

**A. Business Income**

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

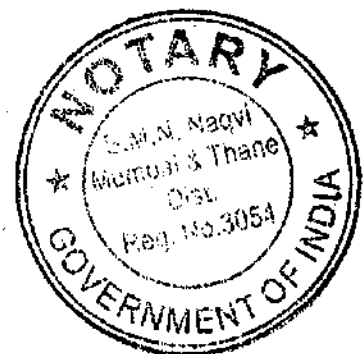
**B. MAT Credit**

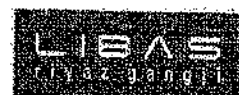
- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ("MAT") paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax ("MAT") is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 7% would be levied if the total income exceeds ₹10 million but does not exceed Rs 100 million. A surcharge at the rate of 12% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

**C. Capital Gains**

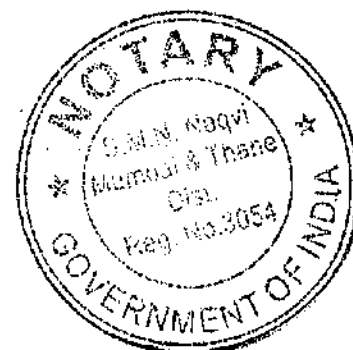
**(i) Computation of capital gains**

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.





- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
  - As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
  - As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bond exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
  - As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income
  - STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
  - As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
  - As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent eight assessment years.
- (ii) Exemption of capital gains from income – tax
- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
    1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
    2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
  - Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
  - Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
  - As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
  - The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.





#### **D. Securities Transaction Tax**

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

#### **E. Dividends**

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 12% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

#### **Benefits to the Resident members / shareholders of the Company under the Act**

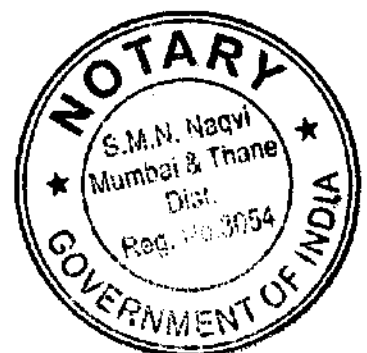
##### **A. Dividends exempt under section 10(34) of the Act**

As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend. In respect of individual, Hindu Undivided Family or a firm, resident in India, includes any income in aggregate exceeding ten lakh rupees by way of Dividends declared, distributed or paid by a domestic company or companies then u/s. 115BBDA on the dividend exceeding Rs. 10,00,000 income tax at 10 % shall be payable. No deduction in respect of any expenditure or allowance or set off of loss shall be allowed to the assessee under any provision of this Act in computing the income by way of dividends.

##### **B. Capital Gains**

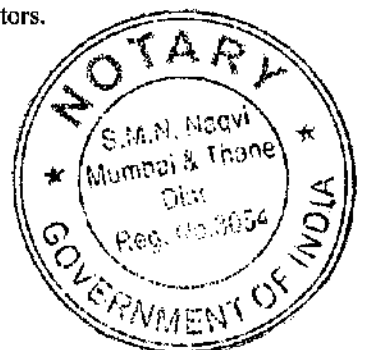
###### **(i) Computation of capital gains**

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





- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other securities listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
  - In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
  - LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
  - As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
  - As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bond exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
  - STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
  - As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
  - As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.
- (ii) Exemption of capital gains arising from income – tax
- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
  - Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
  - Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
  - As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
  - The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.





- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

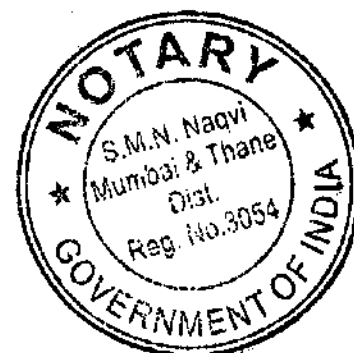
#### C. Tax Treaty Benefits

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

#### D. Non-Resident Taxation

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

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





## Benefits available to Foreign Institutional Investors ('FIIs') under the Act

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

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

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

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

### C. Capital Gains

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

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

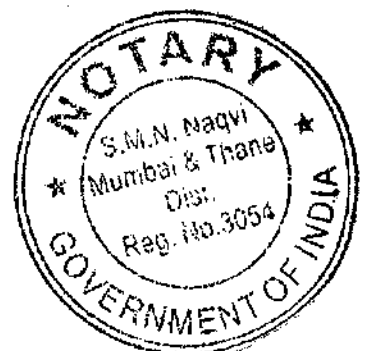
- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.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

### D. Securities Transaction Tax

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

### E. Tax Treaty benefits

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





**Benefits available to Mutual Funds under the Act**

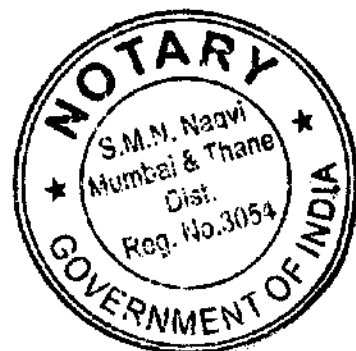
- a) Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115 O of the Act.
- b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

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

For **V.A. Mishra & Associates**  
Chartered Accountants  
**F.R.N. 106435W**

**V.A. Mishra**  
Proprietor  
**M.No. 040896**

Place: Mumbai  
Date: November 30, 2016





**SECTION IV- ABOUT THE COMPANY**

**OUR INDUSTRY**

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly investment decisions should not be based on such information.

**OVERVIEW OF INDIAN ECONOMY**

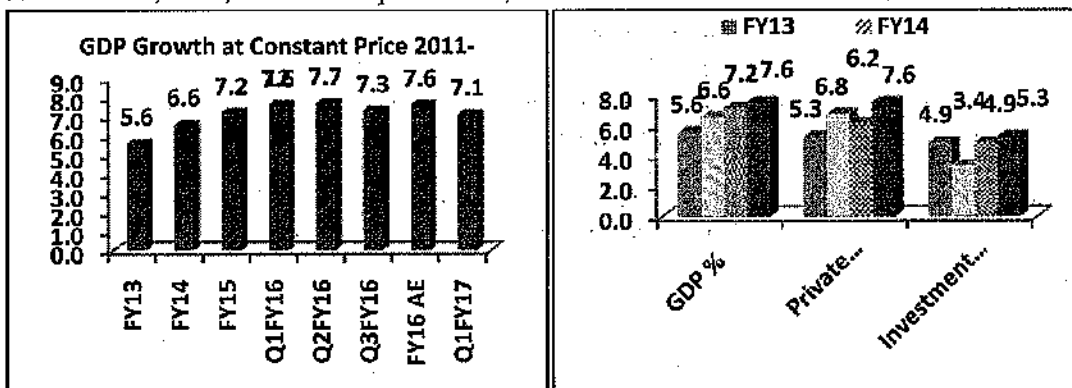
India, a South Asian nation, is the seventh-largest country by area, the second-most populous country with over 1.25 billion people, and the most populous democracy in the world. India is the fourth largest economy in the world in terms of purchasing power parity (PPP). India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7% in 2016-17. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75% during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than 7% for the third successive year 2016-17 and can start growing at eight per cent or more in next two years.

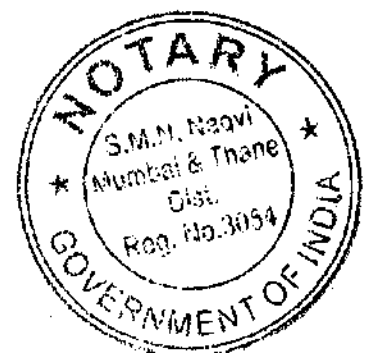
The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6%. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5% and 'trade, hotels, transport, communication services' at 10.7%.

Source: CMIE, IBEF, Asian Development Bank, MOSPI



Source: MOSPI, CSO, Base year 2011-12

Indian GDP (at 2011-12 prices) revived to 7.3% in Q2FY17 as compared to 7.1% in the previous quarter and 7.7% in Q2FY16. The acceleration in the GDP growth was driven by the marked improvement in the agriculture



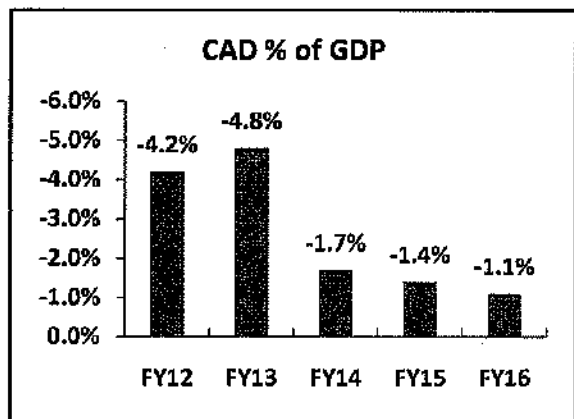


sector, while this growth momentum is not likely to sustain in the coming quarter due to the disruption in the economy caused by government's latest move to abolish high-denomination notes.

Gross value added (GVA), which is adjusted for subsidies and taxes to arrive at GDP, grew at 7.1% v/s 7.3% (each) in Q1FY17 and Q2FY17. Within the three broad sectors of the economy, growth in industry and services sectors eased compared to previous quarter, while agriculture showed the significant improvement. Agriculture sector output increased to a 10-quarter high at 3.3% in the just-concluded quarter v/s 1.8% in Q1FY17 and 2.0% in Q2FY16 as near normal monsoon this season has boosted kharif crops production. Services sector GVA eased to 8.9% (9.6% in Q1FY17 and 9.0% in Q2FY16) on the bank of low growth in trade, hotel and restaurants segment and financial services. Meanwhile, the growth in services sector was supported by the improved output of public adm., defence and other services segment (12.5% in Q2FY17 v/s 12.3% in Q1FY17 and 6.9% in Q2FY16) sharply benefitted from the rise in the growth of the union government's total expenditure. Industrial output grew by just 5.2% in reported quarter (6.3% in Q2FY16 and 6.0% in Q1FY17) on account of poor performance of mining and manufacturing sectors.

**CURRENT ACCOUNT DEFICIT**

For the entire 2015-16 fiscal, CAD stood at 22.1 billion 1.1% of the GDP as against 26.8 billion 1.8% for 2014-15, according to Reserve Bank of India data. India's current account deficit (CAD) declined sharply to \$0.3 billion 0.1% of Gross Domestic Product in the fourth quarter of ended March 2016 (FY16) from \$ 7.1 billion 1.3%, in third quarter ended December 2015, on account of lower trade gap. The trade deficit in the fourth quarter of FY16 stood at \$24.8 billion compared to \$31.6 billion in Q4 of 2014-15. The country's trade deficit was \$130.1 billion for FY16 while for FY15 it stood at \$144.9 billion. Balance of Payments (BOP) stayed in positive territory with accretion of \$3.3 billion to India's Foreign exchange reserves in Q4 2015-16. The overall BOP during the fiscal FY16 moderated to \$17.9 billion from \$ 61.06 billion in 2014-15.

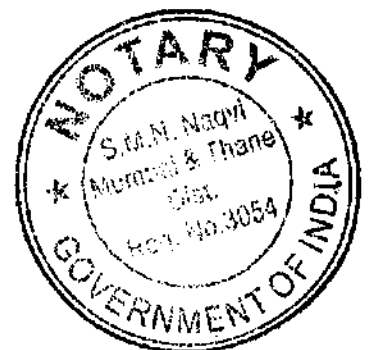
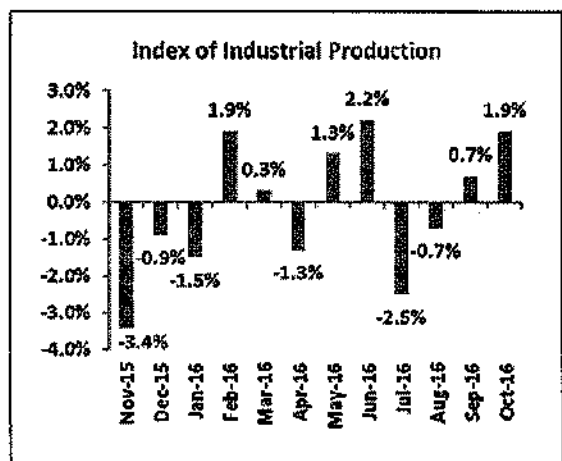


Source: RBI

**INDEX OF INDUSTRIAL PRODUCTION**

**Index of Industrial Production**

India's factory output, as measured by index of industrial production (IIP), contracted 1.9% in October after rising 0.7% in September. Data released by the Central Statistics Office showed that in October, both mining and manufacturing contracted while electricity registered positive growth. While mining shrank 1.1%, manufacturing contracted by 2.4%. Electricity generation grew 1.1%. But worryingly, capital goods production—a key indicator of the investment demand in the economy—contracted for the twelfth consecutive month, by 26%. Consumer goods production also contracted in October after registering positive growth for five consecutive months. Consumer goods declined by 1.2%, with non-durable goods falling by 3.0% and growth in consumer durable goods moderating to 0.2%.





Source: RBI

**FOREIGN DIRECT INVESTMENTS**

According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments India received in FY 2015-16 (April 2015-March 2016) was US\$ 40 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

Data for FY 2015-16 indicates computer hardware and software segment attracted the highest FDI equity inflow of US\$ 6.9 billion, followed by the computer hardware and software sector (US\$ 5.9 billion). Most recently, the total FDI equity inflows for the month of March 2016 touched US\$ 2.47 billion as compared to US\$ 2.12 billion in the same period last year.

During FY2015-16, India received the maximum FDI equity inflows from Singapore at US\$ 13.69 billion, followed by Mauritius (US\$ 8.35 billion), USA (US\$ 4.19 billion), Netherlands (US\$ 2.64 billion) and Japan (US\$ 2.61 billion). Healthy inflow of foreign investments into the country helped India's balance of payments (BoP) situation and stabilised the value of rupee.

FDI in India witnessed an increase of 29% and reached US\$ 40 billion during April 2015-March 2016 as compared to US\$ 30.93 billion in the same period last year.

According to the data released by Grant Thornton India, the total merger and acquisitions (M&A) and private equity (PE) deals in the month of April 2016 were valued at US\$ 5.5 billion (100 deals), which is 2.2 times higher as compared to April 2015.

India has also overtaken China as world's top foreign direct investment (FDI) destination with US\$ 63 billion of FDI announced in 2015 including high-value project announcements across the coal, oil and natural gas, and renewable energy sectors.

Source: IBEF

**KEY ECONOMIC VARIABLES**

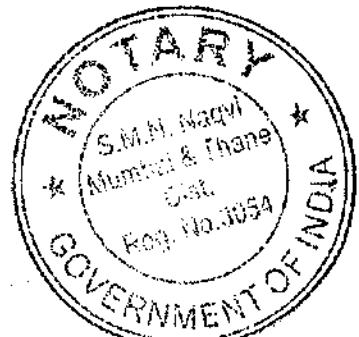
Particulars	FY13	FY14	FY15	FY16E
GDP %	5.6	6.6	7.2	7.6
GVA Growth Rate (%)	5.4	6.3	7.1	7.3
Export Growth (%)	-1.8	4.7	-1.3	-17.6 <sup>e</sup>
Import Growth (%)	0.3	-8.3	-0.5	-15.5 <sup>e</sup>
Current Account Balance % to GDP	-4.8	-1.7	-1.3	1.4 <sup>e</sup>
Inflation - WPI #	7.4	6.0	2.0	-2.8 <sup>e</sup>
Inflation- CPI	10.2	9.5	5.9	4.9 <sup>e</sup>

Source <http://indiabudget.nic.in> Volume 1, RBI, DIPP

**INDIAN TEXTILE INDUSTRY**

**Overview**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.





The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Source: Indian Textile Industry, India Brand Equity Foundation www.ibef.org

#### ADVANTAGE INDIA

**a) Robust Demand**

- Increased penetration of organised retail, favourable demographics, and rising income levels to drive textile demand.
- Growth in building and construction will continue to drive demand for non-clothing textiles

**b) Increasing Investment**

- Huge investments are being made by Government under Scheme for Integrated Textile Parks (SITP)- (USD184.98 Million) and Technology Upgradation Fund Scheme (TUFS)- (term loan sanctioned in Feb, 2015- USD2198.45 Million) to encourage more private equity and to train workforce.

**c) Competitive advantage**

- Abundant availability of raw materials such as cotton, wool, silk and jute
- India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to major textile producers

**d) Policy support**

- 100 per cent FDI (automatic route) is allowed in the Indian textile sector
- Under Union Budget 2015-16, government has allocated USD39.81 million for integrated parks in India
- Free trade with ASEAN countries and proposed agreement with European Union will boost exports

Source: Textile and Apparel Report January 2016 – Indian Brand Equity Foundation www.ibef.org

#### GOVERNMENT INITIATIVES

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to further promote the industry are as under:

- The Union Cabinet has cleared a Rs 6,000 crore (US\$ 889.44 million) package for the textile sector, aimed at attracting investments worth Rs 74,000 crore (US\$ 10.95 billion) generating 10 million jobs and increasing textile exports by US\$ 30 billion in the next three years.
- The Department of Handlooms and Textiles, Government of India, has tied up with nine e-commerce players and 70 retailers to increase the reach of handlooms products in the Indian market, which will generate better prices and continuous business, besides facilitating direct access to markets and consumers for weavers.

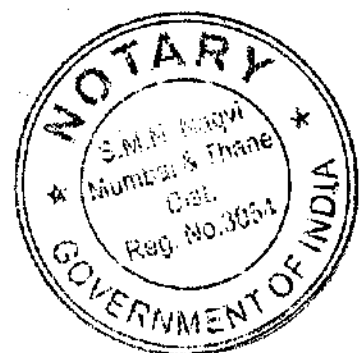


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- The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).
- The Government of India has started promotion of its 'India Handloom' initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.
- The Ministry of Textiles launched Technology Mission on Technical Textiles (TMTT) with two mini-missions for a period of five years (from 2010-11 to 2011-12 in the 11th five year plan and 2012-13 to 2014-15 in 12th five year plan) with a total fund outlay of Rs 200 crore (US\$ 29.6 million). The objective of TMTT is to promote technical textiles by helping to develop world class testing facilities at eight Centres of Excellence across India, promoting indigenous development of prototypes, providing support for domestic and export market development and encouraging contract research.
- The Government of India is expected to soon announce a new National Textiles Policy. The new policy aims at creating 35 million new jobs by way of increased investments by foreign companies, as per Textiles Secretary Mr S K Panda.
- Subsidies on machinery and infrastructure
  - The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.
  - Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
  - The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.
  - Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports
- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India's textile exports.
- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.
- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.
- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of Rs 427 crore (US\$ 63.3 million) for five years from 2014-15.
- A Memorandum of Understanding (MoU) has been signed between India and Kyrgyzstan seeking to strengthen bilateral cooperation in three fields -Textiles and Clothing, Silk and Sericulture, Fashion

Source: Indian Textile Industry, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org)



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## INDIAN APPAREL MARKET

The current domestic textile and apparel market is estimated to be US\$ 76 Bn which is expected to grow at 12% CAGR to become US\$ 154 Bn by 2020. Apparel constitutes the majority share of the market with value of US\$ 56 Bn in 2014. Technical textile is a promising segment which is expected to grow fast at 18% CAGR.

### India's Fashion Retail Market

The proliferation of affordable smartphones, a young demographic, greater disposable income and favorable government policies have transformed retail into India's most exciting sectors. Retail trade has already been acknowledged as the country's largest service sector employer. During this year's budget, the government threw a surprise by declaring 100% FDI in multi-brand processed food retailing. Thus sending a positive sign for global retailers to set up shop in the country.

In FY16 32 foreign fashion retailers set up online shops in India, while 22 chose the brick-and-mortar route. It is worth noting that as many as 44% of the foreign fashion online retailers were from the UK. Also, most of the brands which opted to set up stores chose Mumbai and Delhi as their preferred geographies. E-commerce has gained a firm grip in India and our analysis tells us that by 2020, it is going to make a dent in the revenues of brick and mortar retailers. Intelligence Node predicts that organized retail will grow at a CAGR of 21% between 2015 and 2020 reaching an overall figure of \$180 billion. This growth will be equally driven by online and offline organized sectors. We expect fashion to contribute nearly 50% of the staggering growth in e-tail revenues. Indian behemoths Aditya Birla Group, Tata Group and Reliance Industries Limited (RIL) have not been oblivious to the rise of e-commerce in the country. The Aditya Birla Group launched Abof.com, a fashion e-commerce portal that is targeted towards millennials. In contrast to its existing peers, Abof aims to provide a curated shopping experience where customers can shop by looks featured on the portal. With its 3D trial room, Abof has augmented its commitment to provide a differential shopping experience. RIL on the other hand is gearing up to launch its fashion portal sometime this year. It aims to sell 60% of its merchandise, comprised of national and international brands through the new portal. Not to be left too far behind, the Tata Group will be focusing on fashion, smartphones and consumer electronics through its soon to be launched portal. If rumors are to be believed, the Future Group is in the process of launching their e-commerce portal too.

*Source: Indian Fashion Whitepaper 2016 – Intelligence Node*

### Indian Fashion Composition

The Indian Fashion catalog is dominated by Apparel (47%) followed by Fashion Accessories (40%), Footwear (9%) and Lingerie (4%). At Rs 4338, Fashion Accessories was the category with the highest average selling price. The highest average discount of Rs 1702 has been applied to Fashion Accessories too. Average selling prices of Footwear and Apparel were very close at Rs 1542 and Rs 1492 respectively.

### Sub Category Analysis:

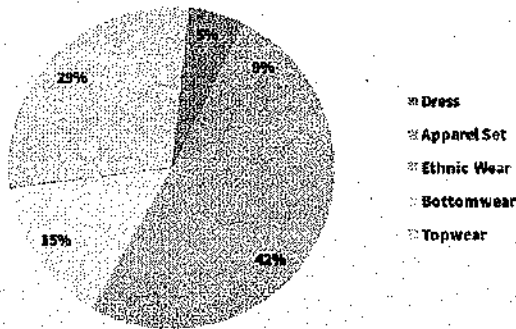
#### a) Apparel

The Apparel catalog was mostly comprised of Ethnic Wear with 42% density. Ethnic wear was followed by Top-wear (29%), Bottom-wear (15%), Apparel Set (9%) and Dresses (5%). The highest average selling price within Apparel belonged to Ethnic Wear with a price tag of Rs 2055. Highest discount of Rs 1816 was also applied to Ethnic wear. The fact that Ethnic wear was found to have the highest apparel catalog density, highest average selling price and discount is evidence that the ethnic flavor is perceived to be very strong among its audience by Indian fashion players. Average selling prices of Dresses and Apparel Set were head to head with Rs 1479 and Rs 1470 price tags respectively. On the discount front, second highest discount of Rs 1679 and third highest discount of Rs 998 were applied to Apparel Set and Dresses respectively.



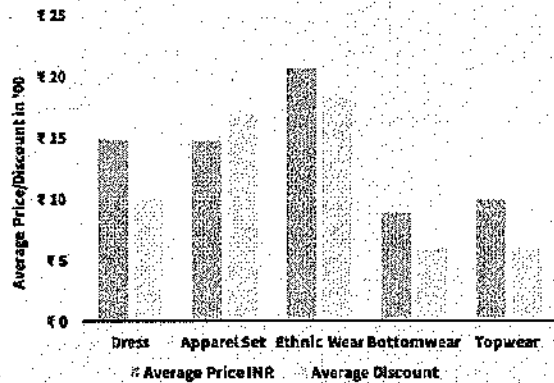


Apparel Distribution:Sub Category



Source: Intelligence Node

Average Selling Price/Discount



Source: Intelligence Node

Source: Indian Fashion Whitepaper 2016 – Intelligence Node

**Indian Ethnic Wear Market**

Indian ethnic wear market was estimated to be of ₹82,220 crore in 2014 and is expected to grow at a CAGR of 9 percent to reach ₹1,26,210 crore in 2019. The market is dominated by women’s ethnicwear which contributes 83 percent to the total ethnic market followed by kids’ ethnicwear and men’s ethnicwear with shares of 9 percent and 8 percent contribution respectively, shares Amit Gugrani, Senior Vice President - Fashion and Kanti Prakash Brahma, Principal Consultant - Fashion at Technopak.

**b) Fashion Accessories**

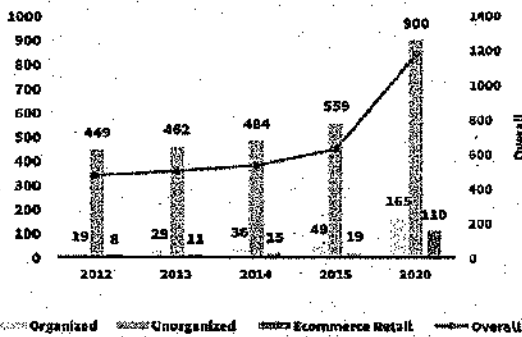
The Fashion Accessories sub category is dominated by the presence of 58% Jewellery items across the Indian Fashion catalog. Jewellery items are also the ones that have the highest average selling price (Rs 6552) and average discount (Rs 2547) being applied within this sub category. The next set of items with the highest average selling price within Fashion Accessories is watches with a price tag of Rs 2891. The second highest average discount of Rs 946 was also applied on watches. Jewellery and Watches were followed by Bags as items with the highest average selling price of Rs 1587 within Fashion Accessories.

Source: Indian Fashion Whitepaper 2016 – Intelligence Node

**Future Trends**

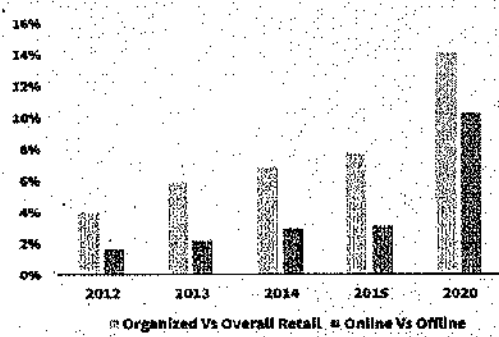
Our analysis of the Indian retail market points to a steep rising trend for the next 4 years. We predict that e-commerce will be a market worth USD 110 billion and organized will be USD 165 billion. The composition of organized retail in the overall retail market has grown from 4% in 2012 to 8% in 2015 and we expect it to maintain this trajectory until it reaches 14% in 2020. Likewise online retail is slated to grow from 2% in 2012 to 10% in 2020.

Retail Market Size Trend(USD bn)

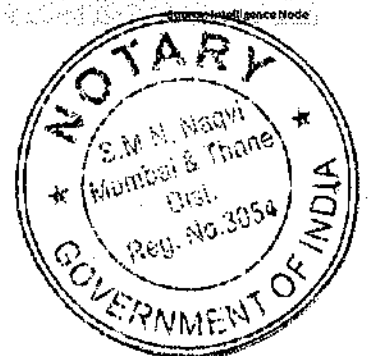


Source: Intelligence Node

Trend Analysis: Organized and Online Retail

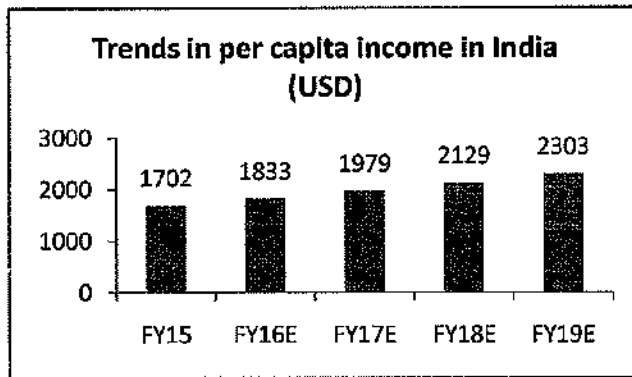


Source: Intelligence Node





The Indian market is going to witness a sharp adoption of smartphones by 2020. Increasingly affordable smartphones and brands in that category will drive this trend. Needless to say, mobile commerce will get a boost due to this. We are going to witness a blurring between online and offline retail in the future. This development will be shaped by millennials who are currently comprised of 1.8 billion of the total world population. We conducted a survey of 2500 millennials of which 55% expressed their desire to buy everything online if they could. They choose to research the products they want to buy even when they are in the store. The three main areas where millennials spend the most are food & grocery, electronics and apparel. Technology will play a pivotal role in driving growth of the fashion sector. To be more specific, technology driven Omni-channel retailing is the future. Retailers who see digital as an integral part of their business will thrive in fashion. Big data analytics has the power to integrate brick and mortar with digital. Through present day retail analytics, we have only just begun scratching the surface by harnessing POS data as well as catalog and pricing movement data from across marketplaces. There's a lot more to be gained through unification of data from social networks, CRM, POS, fleet management systems, retail-store beacons, websites, mobile apps and e-commerce portals. Technology will break silos that come in the way of providing a seamless customer shopping experience.



2011 2013 2014 2015 2020  
 Mobile Phone Users Smart Phone Users  
 Online Penetration  
 Source: Intelligence Node

**Growth Drivers**

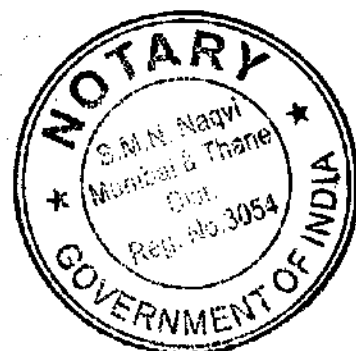
**Changing Demographics:** The IMF expects India's population to touch 1.34 billion by end – 2019, India's growing population has been a key driver of textile consumption growth in the country. Moreover, according to World Bank, urban population accounts for 32 per cent of the total population of India. This also works as demand driver due to changing taste and preferences in the urban part of India.

**Rising Disposable Income:** Rising incomes has been a key determinant of domestic demand for the sector; with incomes rising in the rural economy as well, the upward push on demand from the income side is set to continue.

**Evolution of E-commerce an online shopping:** Due to easy online access nowadays, people have become more aware of the high-end luxury brands, their origin, services, and their speciality. With the ever-growing E-commerce market, luxury brands have easily entered to their homes. People in India are now more aware of the various global fashion and luxury trends and more inclined to accept these trends in their daily lives.

**Rising middle class:** The rise of middle class in the emerging luxury retail market offers opportunity to the retailer to invest more and earn more, since the consumption rate becomes higher. Luxury brands are now focusing their attention beyond the rich and elite to cover the demand of rising middle class in India.

**EMI, Cash on Delivery and other:** Buyers are looking for more convenience and more value for their hard earned money. They are not just looking for more competitive prices but also more perks. The bigger players have grasped this need of the Indian buyers and offer the convenience features like easy EMI, Cash on Delivery, free return and free delivery policies. This has radically affected the loyalty and confidence of the Indian buyers.



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## OUR BUSINESS

### OVERVIEW OF OUR COMPANY

Our Company was incorporated as Libas Designs Private Limited on November 10, 2004 with the Registrar of Companies, Mumbai, Maharashtra as a private limited company under the provisions of the Companies Act 1956 vide registration no. 149489 (CIN: U18101MH2004PLC149489) and a certificate of incorporation was issued by the Registrar of Companies, Mumbai, Maharashtra on November 10, 2004.

Our Company was converted into a public limited company and accordingly the name of our Company was changed to Libas Designs Limited pursuant to a special resolution passed by our Shareholders at the EGM held on September 14, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on September 20, 2016 by Registrar of Companies, Mumbai, Maharashtra.

We are engaged in the process of fabrication of fabric into apparels and other products through customisation, where customers can choose the colours, fabrics and designs and make changes as per their need. We at LIBAS RIYAZ GANGJI implement the traditional bespoke process with a modern-day approach. Right from the initial stage that involves the client preferences to constructing the most desirable outfit, we ensure complete satisfaction to our client. Apart from retail sales, we also undertake wholesale business where we provide our designs to other labels. We also give complete solutions to corporates regarding their dressing needs and designing.

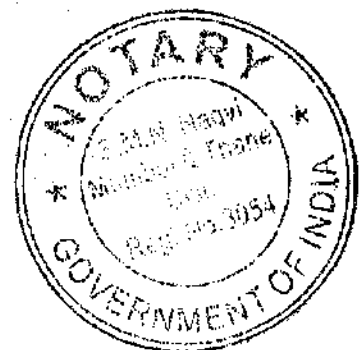
The Company markets its product under the brand name of LIBAS RIYAZ GANGJI and it is a well-established fashion designer brand name in Mumbai. Furthermore, it has tie up with more than 80 Indian & international designers and have inventory of more than 500 Designer wear to choose. Currently, we have 8 stores either own or on franchisee basis. The ratio of stores and wholesale business is 42:58 as per F.Y. ended on March 31, 2016.

For E-retailing our products, we have tie ups with major ecommerce players portals such as [www.jabong.com](http://www.jabong.com) by agreement dated July 18, 2016, [www.paytm.com](http://www.paytm.com) by agreement dated August 01, 2016, [www.indianroots.com](http://www.indianroots.com) by agreement dated January 05, 2016 etc and have its own portal in the name of [www.libasfashion.com](http://www.libasfashion.com). E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility. The Company has varieties of products namely Men's wear – Sherwani, Suits, Indo-Western Wears, Nehru Jacket & Pants, Women Wear – Sarees, Suits, Lehenga, Gowns & Anarkalis, and Accessories – Jewellery, Belts, Mojari, Cufflinks & Safa. In Ludhiana, Company also provides beauty services.

Over the past some years we have intensely marketed Libas connecting with Fashion weeks, IPL matches and Social programs as well as Luxury brands like BMW, Videocon etc. and popular TV shows such as Sasuraal SimarKa and Desh Ki Beti Nandini where the central characters have donned Libas. Among one of our most prominent campaigns was our cross publicity for the movie VEER starring Salman Khan and Zarine Khan. Zeenat Amaan, Jacqueline Fernandes, Zarine Khan, Jimmy Shergill, Rana Dagubatti, Sonu Sood, Divya Dutta, Randeep Hooda, Sonal Chauhan are some of the names that have donned Libas on ramps. Sajid – Wajid, Shreya Ghoshal and Shaan are also among our regulars.

We also have a dedicated team working on creating premium quality uniforms for all types of businesses including Corporate Offices, Schools, Hotels & Restaurants Security Agencies, Saloons, Hospitals etc. All our uniforms are rightly tailored based on the requirements set forth by our clients. The clothing material used is of the finest quality and sourced from authentic dealers.

We also offer an extensive range of jute bags, best suited for everyday use. With 100s of different colours and styles, customers have a good number of options to choose from. Customers may also get to design their own bag by choosing their own dimensions, colours and features such as the buttons, zippers, the handle and of course the overall styling.



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We recently started organizing budget-friendly weddings. We have experienced wedding planners who specializes in covering local wedding celebrations as well as destination-based weddings. Moreover, we also take the prime onus of arranging catering services and booking the most desirable venue based on our customers personal preference.

Our Company has entered into an agreement with K Brands Private Limited wherein it was agreed that K Brands Private Limited shall set out atleast 4 (Four) franchisees shops with minimum 800 sq ft carpet area each in the brand name "LIBAS RIYAZ GANGJI" on or before June 30, 2017 and in the event of its failure, the present agreement shall stand void and non operative without further reference.

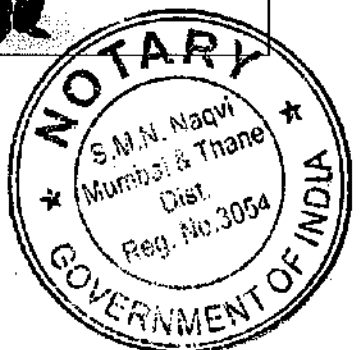
**PRODUCTS CATEGORIES**

MEN	WOMEN	ACCESSORIES	JUTE BAGS
<ul style="list-style-type: none"> <li>• Sherwani</li> <li>• Suits</li> <li>• Indo Western</li> <li>• Nehru Jacket</li> <li>• Shirts</li> <li>• Pants</li> </ul>	<ul style="list-style-type: none"> <li>• Sarees</li> <li>• Suits</li> <li>• Lehenga</li> <li>• Gowns</li> <li>• Anarkari</li> </ul>	<ul style="list-style-type: none"> <li>• Jewellery</li> <li>• Belts</li> <li>• Mojaris</li> <li>• Cufflinks</li> <li>• Saffa</li> </ul>	<ul style="list-style-type: none"> <li>• Carry Bags</li> <li>• Gifts Bags</li> <li>• Bottle Bags</li> <li>• Lunch Bags</li> <li>• Grocery Bags</li> </ul>











**PRODUCTS PORTFOLIO**

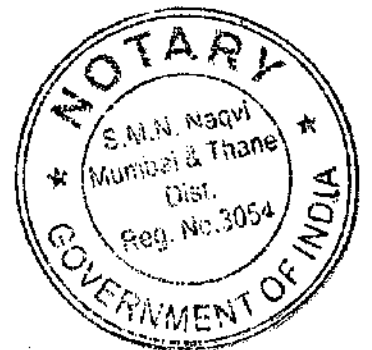
We have developed vide variety of Products as below:

MEN'S WEAR		
Sherwani		
Suits		
Indo Western		



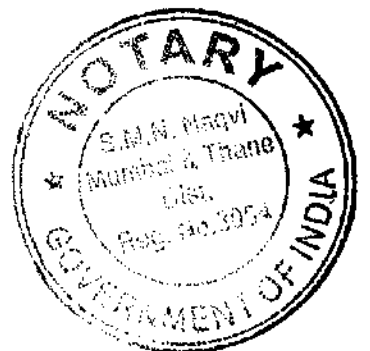


Nehru Jacket		
Shirts		
<b>WOMEN'S WEAR</b>		
Sarees		
Suits		
Lehenga		





Gowns		
Anarkali		
<b>ACCESSORIES</b>		
Jewellery		
Belts		
Tie and Cufflinks		
Saffa		





Mojaris		
<b>JUTE BAGS</b>		
Carry Bags Gifts Bags Bottle Bags Lunch Bags Grocery Bags		

**PRODUCT WISE SALES**

(Rs. In Lakhs)

Particulars	For the Period Ended June 30, 2016	For the Financial Year 2015-16	For the Financial Year 2014-15	For the Financial Year 2013-14
Apparels*	495.64	21,23.12	1749.33	13,77.25
Others	23.55	23.35	18.63	30.01
<b>Total</b>	<b>519.19</b>	<b>2146.47</b>	<b>1767.96</b>	<b>1407.26</b>

\* It is not feasible for the Company to provide category wise break-up of the apparels.

**BUSINESSES CARRIED ON AT OUR STORES**

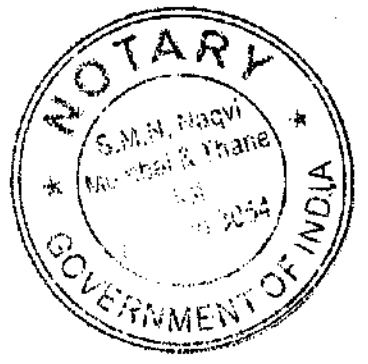
Store Location	Business Carried on at the Store	Store Glimpse
Shukh Shanti Shop No. 2, Dr. G Desmukh Marg, Cumballa Hill Pedder Road, Mumbai – 400026	Sale of Apparels, Accessories, Jewellery Counter, Export Order	
Shop no. 2, Ground Floor & 1 <sup>st</sup> Floor, B12 & B13, New Sujata Society, Juhu Tara Road Opp Union Bank of India, Santacruz, Mumbai – 400049	Sales of Apparels, Designer Studio, Wedding Counter	



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<p>Shop no. 2, Apsara Building, S.V Road, Santacruz (W), Mumbai - 400049</p>	<p>Sale of Apparels</p>	
<p>#Shop No. 2 &amp; 3 Nathushanker Chawl, Near Old police Station, S.V Road, Borivali (W), Mumbai - 400066.</p>	<p>Sale of Apparels</p>	
<p>Shopper Stop - 211-D, S.V Road Andheri West, Mumbai - 400058.</p>	<p>Sale of Apparels</p>	
<p>Shop No. 6, Grand Walk Mall, Adjacent to Sacred Heart School, Ferozpur Road, Ludhiana - 141001</p>	<p>Sales of Apparels, Saloon &amp; Spa</p>	
<p>Amanora Town Center, Amanora Park Township, Village Sadesatranali, Hadapsar, Taluka Haveli, District Pune, Maharashtra</p>	<p>Sale of Apparels</p>	



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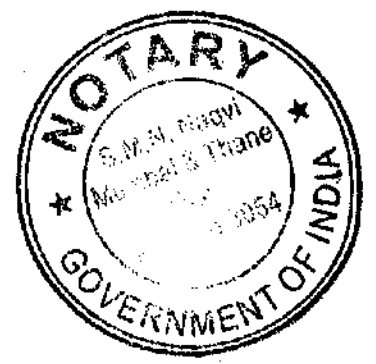
<p>Al Wasl Rd Al Badaa Street Vila no G4 U5 Plot no 1098 Jumeria I Dubai UAE</p>	<p>Sale of Apparels</p>	
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**OUR LOCATIONS**

<b>Registered Office*</b>	Gala No. 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla(W), Mumbai – 400070, Maharashtra, India
<b>Corporate Office*</b>	B- 201, 2 <sup>nd</sup> Floor, Duplex Height Co-op Society, Yamuna Nagar, Andheri ( W ) Mumbai :- 400053
<b>Fabrication Units**</b>	<p>Gala No. 55, 1<sup>st</sup> Floor, Apaki Indl Estate Prem. Estate, Masrani Road, Kurla (W), Mumbai – 400070</p> <p>Gala No. 62, 1<sup>st</sup> Floor, Apaki Indl Estate Prem. Estate, Masrani Road, Kurla (W), Mumbai – 400070</p>
<b>Sales Stores</b>	<p><b>Mumbai:</b></p> <ol style="list-style-type: none"> <li>1. Shukh Shanti Shop No. 2, Dr. G Desmukh Marg, Cumballa Hill Pedder Road, Mumbai – 400026.</li> <li>2. Shop no. 2 &amp; 1st Floor, B12 &amp; B13, New Sujata Society, Juhu Tara Road Opp Union Bank of India, Santacruz, Mumbai – 400049.</li> <li>3. Shop no. 2, Apsara Building, S.V Road, Santacruz (W), Mumbai – 400049</li> <li>4. Shop No. 2 &amp; 3 Nathushanker Chawl, Near Old police Station, S.V Road, Borivali (W), Mumbai – 400066.</li> <li>5. Shopper Stop – 211-D, S.V Road Andheri West, Mumbai – 400058.</li> </ol> <p><b>Ludhiana:</b> Shop No. 6, Grand Walk Mall, Adjacent to Sacred Heart School, Ferozpur Road, Ludhiana – 141001.</p> <p><b>Pune:</b> Amanora Town Center, Amanora Park Township, Village Sadesatranali, Hadapsar, Taluka Haveli, District Pune, Maharashtra.</p> <p><b>Dubai:</b> Al Wasl Rd Al Badaa Street Vila no G4 U5 Plot no 1098 Jumeria I Dubai UAE.</p>

\*Registered office and Corporate Office of our Company is owned by our Directors and we have obtained NOC from our directors for using the same.

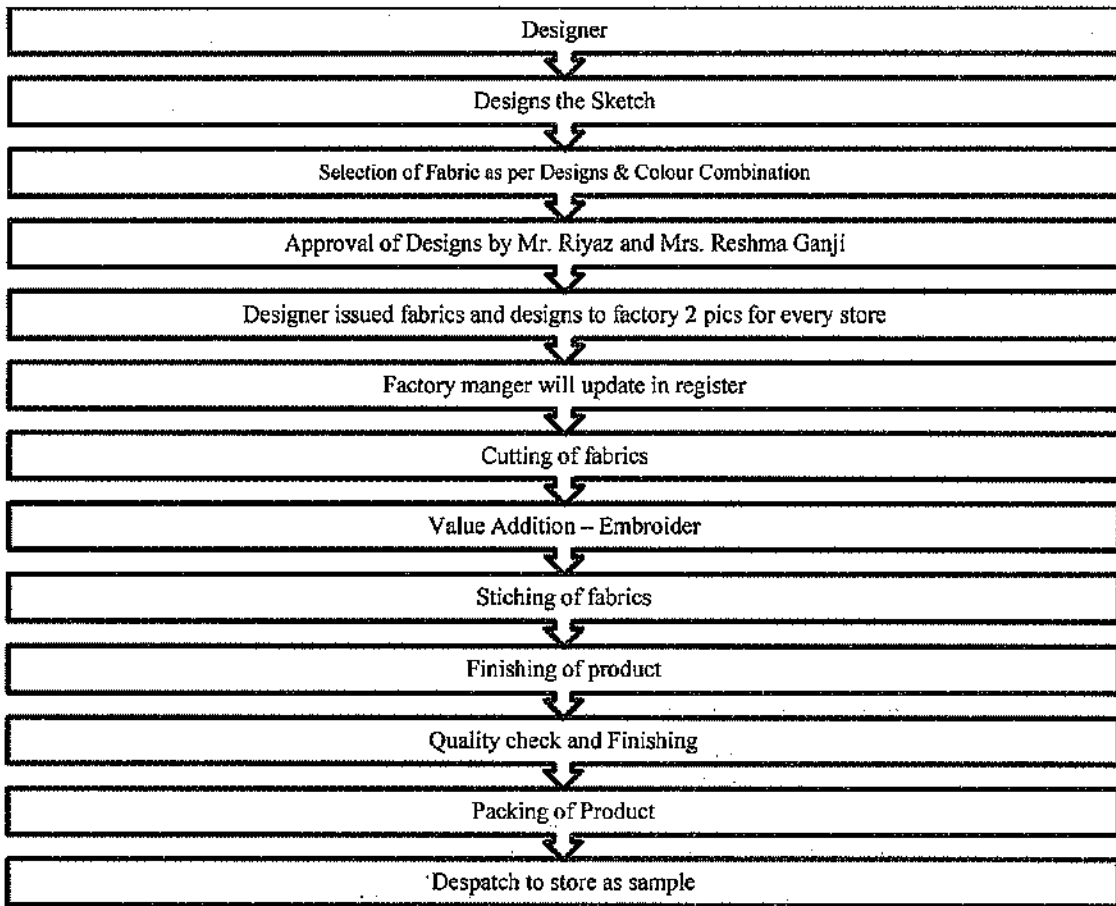
\*\*Fabrication process of our company takes place at Gala No. 55 &62 for which NOC has been taken for the period of three years w.e.f. April 01, 2016.



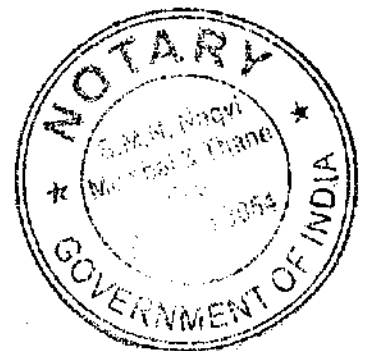
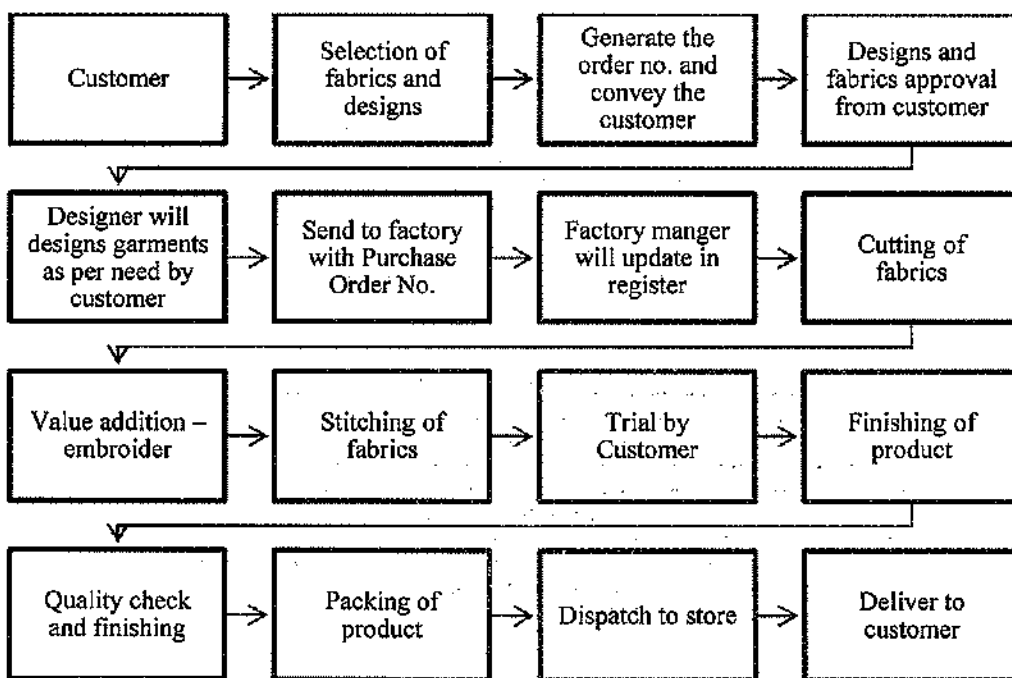


**PROCESS FLOW CHART**

**In-house Production:-**



**Customized Production:-**



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## AWARDS & ACHIEVEMENTS

Our company has received the below mentioned awards and recognitions: -

- India's No. 1 Brand in India's Best Fashion Designer Category from No. 1 Brand Awards Council in the year 2014.
- Winner of India's most Trusted brand Award by India's most Trusted brand Awards Council in the year 2015.
- Winner of India's No. 1 Brand Awards from International Brand Consulting Corporation, USA in the year 2016.
- Winner of India's Most Trusted Brand Award from International Brand Consulting Corporation, USA in the year 2016.

## BRIEF FINANCIAL OF OUR COMPANY ARE AS UNDER:

(Rs. In Lakhs)

Particulars	For the Period Ended June 30, 2016	As on 31 <sup>st</sup> March			
		2016	2015	2014	2013
Share Capital	100.00	100.00	100.00	100.00	100.00
Reserve & Surplus	279.32	253.22	162.18	126.81	93.28
Net Worth	379.32	353.22	262.18	226.81	193.28
Total Income	519.62	2149.41	1771.73	1434.02	1068.61
Profit after Tax	26.10	91.04	35.22	33.32	29.37
EPS* (In Rs.)	2.61	2.60	1.01	0.95	0.84
Return on net worth(%)	6.88	25.77	13.43	14.69	15.19
Net Asset value per Share (In Rs.)	37.93	35.32	26.22	22.68	19.33

\*Post Bonus.

## BREAK-UP OF REVENUE

(Rs. In Lakhs)

Particulars	For the Period Ended June 30, 2016	For the Financial Year 2015-16	For the Financial Year 2014-15	For the Financial Year 2013-14
Revenue from Retail Customer	213.27	895.32	698.25	721.31
Revenue from Wholesale	303.74	1251.00	1069.71	685.95
<b>Total</b>	<b>519.19</b>	<b>2146.47</b>	<b>1767.96</b>	<b>14,07.26</b>

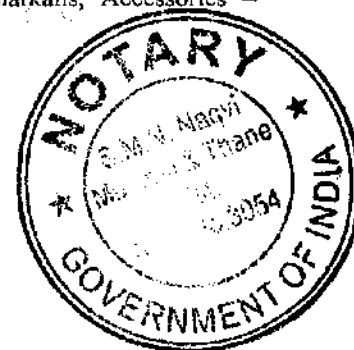
## OUR STRENGTH

### Promoters and Management

Our Company is promoted by Mr. Nishant Mitrasen Mahimtura, Mr. Riyaz Eqbal Ganji and Mrs. Reshma Riyaz Ganji. Mr. Nishant Mitrasen Mahimtura is the Chief Financial Officer (CFO) of the Company and looks after Marketing and Finance of the Company. He is having 45 years of experience in the fields of Marketing, and Finance. Mrs. Reshma Riyaz Ganji, Managing Director of our Company has completed her graduation from Mumbai University. She is the first Indian female designer to represent India at the World Trade Center (New York). Mr. Riyaz Eqbal Ganji, Director of the Company, is having experience of 26 years in Apparel Industry.

### Range of Product Offerings

The Company has varieties of products namely Men's wear – Sherwani, Suits, Indo-Western Wears, Nehru Jacket, Shirts and Pants, Women Wear – Sarees, Suits, Lehenga, Gowns and Anarkalis, Accessories –





Jewellery, Belts, Mojari, Cufflinks, Saffa and Jute Bags- Carry Bags, Gift Bags, Bottle Bags, Lunch Bags and Grocery Bags.

**Quality Assurance and Standard**

We believe in providing our customers the best possible quality products. As a result of this we adopt quality check to ensure the adherence to desired specifications, quality and colours. Since, our Company is dedicated towards quality products, processes and inputs; we get regular orders from our customers, as we are capable of meeting their quality standards.

**Cordial customer relationship**

We are in the fashion Industry and fashion is time bound and any delay in meeting deadlines results in loss of business. Meeting customer deadlines and market trends on a consistent basis is important for our business. Our endeavour is to constantly try to address customer needs around a variety of products. Our existing customer relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy.

**Existing relationship with suppliers**

We have acquire fabric and accessories from several suppliers and have contacts with them for a long time. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationships with our suppliers, we get quality and timely supplies of fabric and accessories. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business.

**Customer Centric Business Model**

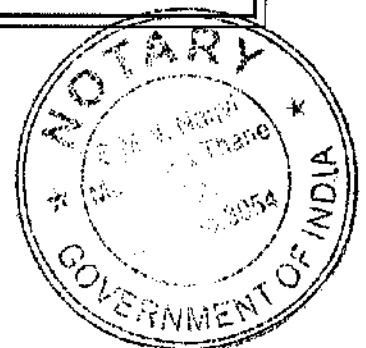
Our Company focuses on attaining highest level of Customer Satisfaction. The Progress achieved by us is the largely due to our ability to address and exceed customer satisfaction. Our company has always believed in assessing the changing customer preferences from time to time and redesigning our products accordingly by continuously exploring new types of trends.

**Strong Customer Base**

Our Company has strong customer base of well known film personalities and television actor/actresses. Our established relationships with customers lead to stability of demand.

**SWOT ANALYSIS**

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>✓ Quality Product</li> <li>✓ Cordial Relationship with Customers, Suppliers and Employees</li> <li>✓ Highly experienced Management</li> <li>✓ Sufficient availability of material</li> </ul>	<p><b>WEAKNESS</b></p> <ul style="list-style-type: none"> <li>✓ Working Capital Intensive Business</li> <li>✓ Accessibilities of skilled labour</li> <li>✓ High Labour Turnover of Workers</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>✓ Huge Growth Potential in Domestic and International Market</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>✓ Increased Competition from Local &amp; Big Players.</li> <li>✓ Our operations are in unorganized sector and are prone to changes in government policies</li> <li>✓ No entry barriers in our industry which puts upto the threat of competition from new entrants</li> </ul>



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### PLANT & MACHINERY

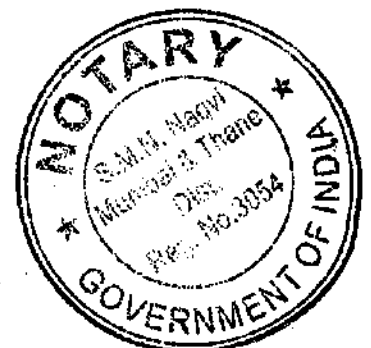
Following is the list of Machineries operated manually by the Company:

Sr. No	Particulars	Make/Model	Year of Purchase	Qty
1	Sewing Machine Kali - Imperial	Mix Industrial 4210	2014	9 Pcs
2	Fusing Machine	-	2006	1 Pcs
3	Sewing Juki Machine	KJK 70500176	2006	1 Pcs
4	Sewing Juki Machine	JR5550 1110702093	2006	1 Pcs
5	Sewing Juki Machine	11001072	2006	1 Pcs
6	Sewing Juki Machine	110300071	2006	1 Pcs
7	Sewing Juki Machine	JR 747F	2006	1 Pcs
8	Sewing Juki Machine	JR8700	2006	3 Pcs
9	Sewing Juki Machine	8700	2006	2 Pcs
10	Sewing TYPICAL Machine	GC6850	2006	3 Pcs
11	Button Machine	757	2006	1 Pcs
12	Kach Machine	762	2006	1 Pcs
13	Cutting Machine	-	2010	1 Pcs
14	Steam Press	China	2015	1 Pcs
15	Orlack Machine	DDL 5530N LLYM48127	2006	2 Pcs
16	Embroider Machine	Ralson - 130	2015	4 Pcs
17	Juki Sewing Machine	DDL-5530N	2011	1 Pcs
18	Typical Sewing Machine	GC6850	2006	1 Pcs
19	Interlock Machine	TK-747	2006	1 Pcs
20	Juki Sewing Machine	DOL 13H	2012	1 Pcs
21	Juki Sewing Machine	RM1818-1A	2012	1 Pcs
22	Interlock Machine	31231	2012	1 Pcs
23	Juki Sewing Machine	DDL-5530N	2014	1 Pcs
24	Sewing Machine	LOCAL	2016	1 Pcs
25	Juki Sewing Machine	DOL 13H	2009	1 Pcs

### UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office is located at Mumbai, Maharashtra. Presently, the company is carrying out its fabrication activities from its Registered office at Gala No. 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla(W), Mumbai – 400070, Maharashtra, India and fabrication unit at Gala No. 62, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla(w) Mumbai: - 400070. Our Office is well equipped with computer systems, servers, relevant software, other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

The Company has its showrooms present in prime location spread across Mumbai, Pune, Ludhiana and Dubai.





**Power**

The requirement of power for our fabrication units is for lighting, air conditioning and operating the machines. It is met through the local power distribution company where the units are located. Also, the requirement of power in our stores/showrooms is for lighting and air conditioning which is met by the local power distribution company.

**Water**

Water is required for human consumption and the requirement is fully met at the existing premises by local suppliers.

**Material**

The basic material required is fabric which is available in the Indian domestic market. Major suppliers are Senso Creation, Mahavir Interlining, Darbar Fineries Pvt Ltd, NS Creation, Tanmay Fashion etc.

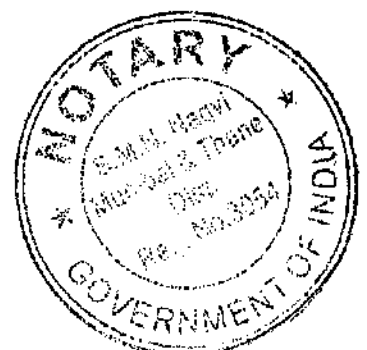
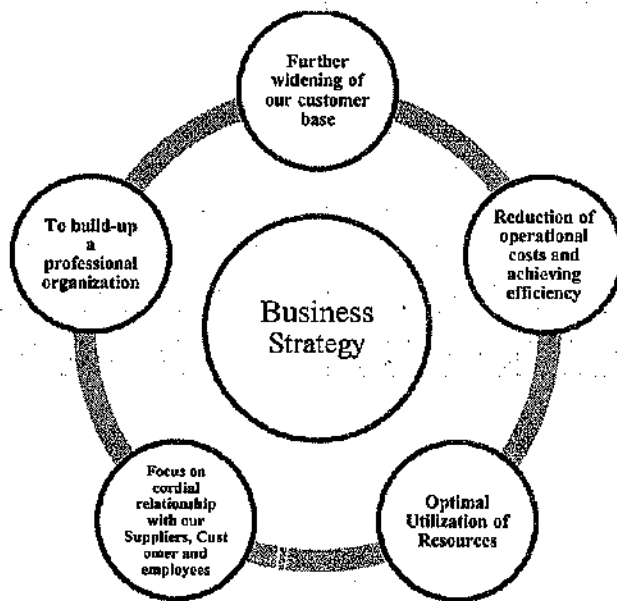
**HUMAN RESOURCE**

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently we have 44 permanent employees as on October 31, 2016 which also includes stitching persons. We hire labour on contractual basis as and when required. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

**DEPARTMENT WISE EMPLOYEE BREAK-UP**

Department	Number of Employees
Finance & Accounts	4
Sales & Marketing	20
Administration	11
Production & Store	4
Labour & worker	4
Company Secretary	1
<b>TOTAL</b>	<b>44</b>

**BUSINESS STRATEGY**





#### **Further widening of our customer base**

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographies and also new market segments & products. We are looking towards expanding customer base in Middle East countries. We are also making efforts and diagnosing the domestic markets for our own brands product. With the widening of the customer base for our own Brand products we will leveraging our marketing skills and relationships and focusing on total customer orientation.

#### **Reduction of operational costs and achieving efficiency**

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We try to reduce the wastage and control the fabrication on the production floor through effective supervision at our own premises as well as on the premises of other suppliers.

#### **To build-up a professional organization**

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We wish to make it more sound and strong in times to come.

#### **Focus on cordial relationship with our Suppliers, Customer and employees**

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

#### **Optimal Utilization of Resources**

Our Company constantly endeavors to improve our fabrication process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We analyze our existing material procurement policy and fabrication processes to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

#### **CAPACITY UTILIZATION**

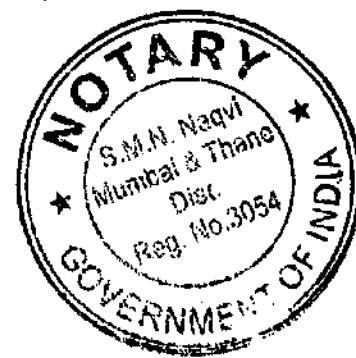
Though the company is engaged in fabrication of finished apparels, it majorly undertakes inspection of fabric, cutting, sewing, stitching and quality inspection of finished products. Further, every product has manual intervention throughout the production process and is dependent upon the skills and turnaround time of each employee. Hence there does not exist any specific data relating to capacity and capacity utilization. Also, bulk production is done at third party suppliers with quality checks by our personnel.

#### **COMPETITION**

Much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other brands in domestic market. Our competition varies for our products and regions. We compete with other brands on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. Some of our major competitors are: Sabyasachi, Manyavar, Ritukumar, Tejon etc.

#### **MARKETING**

The efficiency of the marketing and sales network is critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our marketing team along with our promoters through their experience and good rapport with customers



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owing to timely and quality delivery of service plays an instrumental role in creating and expanding the hiring network of our Company. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers.

**COLLABORATIONS**

We have not entered into any technical or other collaboration.

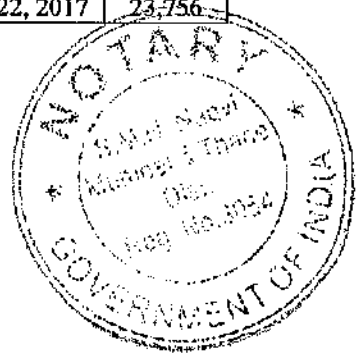
**E-COMMERCE AGREEMENTS**

Our Company has entered into agreements with, www.paytm.com, www.jabong.com and www.indiaroots.com and www.groupon.com for e-retailing our products.

**INSURANCE**

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

S. No.	Policy No.	Name of the Insurer	Description of the Policy	Address of the Properties where the insured assets are situated	Sum Insured (Rs. in Lakhs)	Date of Expiry	Premium p.a (in Rs.)
1.	17020411160 100000070	The New India Assurance Co. Ltd.	Standard Fire and Special Perils Policy	Gala No. 62, 1 <sup>st</sup> Floor, Apaki indl Estate Prem. Estate, Masrani Road, Kurla (W), Mumbai - 400070	30.00	June 27, 2017	Rs. 5,187
2.	17020411160 100000069	The New India Assurance Co. Ltd.	Standard Fire and Special Perils Policy	Gala No. 55, 1 <sup>st</sup> Floor, Apaki indl Estate Prem. Estate, Masrani Road, Kurla (W), Mumbai - 400070	30.00	June 27, 2017	Rs. 5,187
3.	13100048136 03000000150	The New India Assurance Co. Ltd.	Policy Schedule for Money Insurance	Shop No. 6, Grand Walk Mall, Adjacent TP Scared Heart School, Ferozpur, Ludhiana	15.00	October 30, 2017	Rs. 6037
4.	13100046160 900000024	The New India Assurance Co. Ltd.	Fidelity Guarantee Insurance	Shop No. 6, Grand Walk Mall, Adjacent TP Scared Heart School, Ferozpur, Ludhiana	10.00	October 30, 2017	Rs. 5,923
5.	11140048160 600000189	The New India Assurance Co. Ltd.	Shopkeeper Insurance	Shop No 2, 1st Floor, B12 & B13, New Sujata Society, Juhu Tara Road, Opp Union Bank Of India, Santacruz (W) Mumbai:- 400049	87.42	August 22, 2017	Rs. 42,060
6.	11140048160 600000190	The New India	Shopkeeper Insurance	Shop No. 2 & 3, Ground Floor,	68.80	August 22, 2017	Rs. 23,756



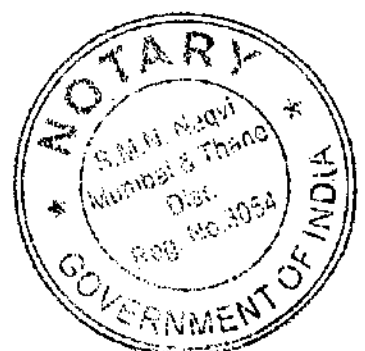
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		Assurance Co. Ltd.		Nathubhai Shankar Chawl, Near Old Police Station, S.V Road Borivali (West), Mumbai - 400066			
7.	11140048160 600000191	The New India Assurance Co. Ltd.	Shopkeeper Insurance	Shop No.2, Apsara Building, S.V. Road, Santacruz (West), Mumbai -400049	66.81	August 22, 2017	Rs. 27,608
8.	11140048160 600000192	The New India Assurance Co. Ltd.	Shopkeeper Insurance	Sukh Shanti No.2, 19 Dr. G. Deshmukh Marg, Kumballa Hill, Peddar Road Mumbai - 400026	127	August 22, 2017	Rs. 36,594
9.	13100048168 2000005	The New India Assurance Co. Ltd.	Shopkeeper Insurance	Unit No. WB-GF 46 & 47, Ground Floor, Amanora Park Township, Village Sadesatranali, Hadaspar, Taluka - Haveli, District - Pune	134.00	October 16, 2017	Rs. 22,948

The following are the details of the Fire Floater policy obtained by our Company:

Policy No.	Name of the Insurer	Description of the Policy	Assets insured/ Risk Covered	Address of the Properties where the insured assets are situated	Sum Insured (Rs. in Lakhs)	Date of Expiry	Premium p.a (in Rs.)
1702041 1150300 000006	The New India Assurance Co. Ltd.	Fire Floater Policy	Stocks	Sukh Shanti Shop No 2, Dr G Deshmukh Marg, Cumballa Hill, Pedder Road, Mumbai :- 400026 Shop No 2 & 1st Floor, B12 & B13, New Sujata Society, Juhu Tara Road, Opp Union Bank Of India, Santacruz (W) Mumbai :- 400049 Shop no 2, Apsara Building, S.V Road, Santacruz (W) Mumbai - 400049. Shop 2 &3, Nathu Shankar Chawl, Near Old Police Station, S.V Road, Borivali (W) Mumbai - 400066 Shop No. 6, Grand Walk Mall, Adjacent to Sacred Heart School, Firozpur Road, Ludhiana - 141001.	906.50	March 30, 2017	Rs. 1,85,000



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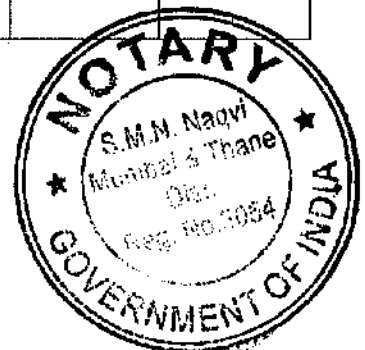


				Gala No. 55 Sidhapura Industrial Estate, Masrani lane Near Halav Pool Kurla (w) Mumbai - 400070			
				Gala No. 62 Sidhapura Industrial Estate, Masrani lane Near Halav Pool Kurla ( w ) Mumbai - 400070			
				Saga Department Stores Ltd. 257, Falak House Near Jain Chamber, opp. Lucky Hotel, S.V Road Bandra (W), Mumbai - 400058			
				Shopper Stop – 211-D, S.V. Road, Andheri West, Mumbai - 400050			

#### LAND & PROPERTIES

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

Sr. No.	Location of the property	Document and Date	Licensor / Lessor / Lessee	Lease Rent / License Fee (in Rs.)	Lease/License period	
					From	To
1.	Shop No. 2, Ground Floor, New Sujata Society, Juhu Tara Road Opp Union Bank of India, Santacruz, Mumbai – 400049.	November 02, 2016	Mr. Shakeel Ahmed Siddique	Rs. 2,00,000/- per Month	October 1, 2016	September 30, 2019
2.	B12 and B13, First Floor, New Sujata Society, Plot No. 28, T.P.S. II, Juhu Tara Road, Santacruz, Mumbai – 400049.	November 02, 2016	Mrs. Nagma Shakeel Siddique	Rs. 3,41,000/- per Month	October 1, 2016	September 30, 2019
3.	Shop No. 2, Apsara Building, S.V Road, Santacruz (W), Mumbai – 400049	July 26, 2016	Mr. MahiboobAli	Rs. 1,70,000/- per Month	July 15, 2016	July 14, 2017
4.	Shop No. 2 Nathubhai Shanker Chawl, S.V Road, near Old Police Station, next to Mhatre Wadi, Borivali (W), Mumbai – 400092.	December 12, 2012	Mr. Rupshi N. Satra and Mrs. Manjula Rupshi Satra	Rs. 80,000/- for the first three terms of 12 months ending on January 14, 2016 and Rs. 88,000/- for the last two terms of 12 months ending on January 14, 2018	January 15, 2013	January 14, 2018
5.	Shop No. 3, Nathubhai Shanker Chawl, S.V Road, near Old Police	December 12, 2012	Mr. Ramesh Popat Gindra and	Rs. 80,000/- for the first three terms of 12 months ending	January	January 14,



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Sr. No.	Location of the property	Document and Date	Licensor / Lessor / Lessee	Lease Rent / License Fee (in Rs.)	Lease/License period	
					From	To
	Station, next to Mhatre Wadi, Borivali (W), Mumbai - 400092.		Mrs. Neeta Ramesh Gindra	on January 01, 2016 and Rs. 88,000/- for the last two terms of 12 months ending on January 14, 2018.	15, 2013	2018
6.	Amanora Town Center, Amanora Park Township, Village Sadesatranali, Hadapsar, Taluka Haveli, District Pune, Maharashtra.	July 5, 2016	City Reality & Development Private Limited	For 1 <sup>st</sup> Year 10% of Monthly Net Sales. For 2 <sup>nd</sup> Year 11% of the Monthly Net Sales. For 3 <sup>rd</sup> Year, 12% of Monthly Net Sales. For 4 <sup>th</sup> & 5 <sup>th</sup> Year, 12% of Monthly Net Sales.	June 24, 2016	June 23, 2021

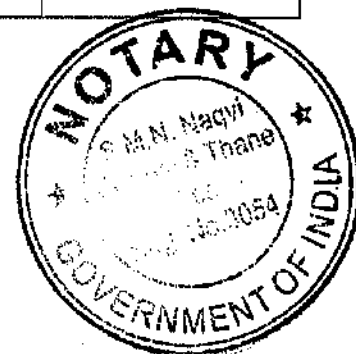
The following table sets for the properties for which No Objection Certificate dated April 01, 2016 for a period of 3 years has been obtained from promoters and directors:

Sr. No.	Location of the property
1.	Gala No 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla ( W ) Mumbai :- 400070, Maharashtra, India.
2.	B Wing, 2 <sup>nd</sup> Floor, Duplex Height Co-op Society, Yamuna Nagar, Andheri ( W ) Mumbai :- 400053
3.	Gala No 62, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla ( W ) Mumbai :- 400070, Maharashtra, India.
4.	Sukh Shanti No.2, 19 Dr. G. Deshmukh Marg, Kumballa Hill, Peddar Road Mumbai - 400026

#### INTELLECTUAL PROPERTY

We have applied for registration of our logo under the Trademark Act 1999. The status of the application is as under:

Sr. No.	Logo	Date of Application/Approval date	Application No./Trademark No.	Class	Current Status
1.		13/09/2010	2022072	18	Registered
2.		13/09/2010	2022073	20	Registered

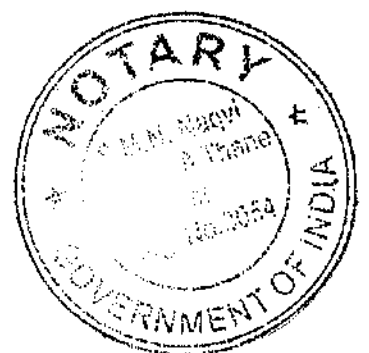


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LIBAS रिवेज गंजी					
3.		13/09/2010	2022074	22	Registered
4.		13/09/2010	2022075	23	Registered
5.		05/02/2013	2472370	25	Objected
6.		13/09/2010	2022076	27	Registered
7.		07/10/2013	2608254	35	Objected
8.		13/09/2010	2022077	37	Registered
9.		13/09/2010	2022078	41	Registered
10.		07/09/2007	1599213	35	Opposed

Our Managing Director, Mrs. Reshma Ganji has also applied under the Trademark Act 1999. Our Company has obtained NOC from her for use of the same. The status of the application is as under:

Sr. No.	Logo	Date of Application/Approval date	Application No./Trademark No.	Class	Current Status
1.		14/10/2014	2826550	18	Objected
2.		14/10/2014	2826551	25	Objected
3.		14/10/2014	2826552	35	Objected



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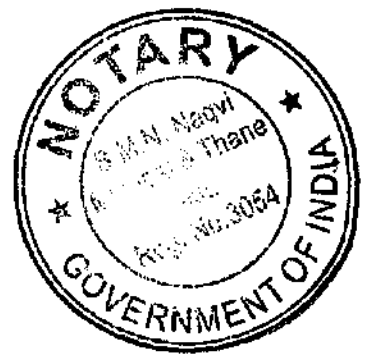


We have applied for registration of our logo application is as under:



under the Copyright At, 1957. The status of the

Sr. no.	Name of the Applicant	Nature of Applicant's Interest	Class & Description of the Work	Title of Work	Registration No. and Date of Registration	Diary No.	Whether the work is published or unpublished	Date of Application
1.	M/s Libas Designs Private Limited.	OWNER	Artistic Work	Libas RiyazGangji	A-114460/2015 4/12/2015	8356/2015-CO/A	Published	10/07/2015





**KEY INDUSTRY REGULATION AND POLICIES**

*The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to applicants and is neither designed nor intended to be a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Statutory Approvals" beginning on page 201 of this Prospectus.*

**BUSINESS /TRADE RELATED LAW**

**NATIONAL TEXTILE POLICY - 2000**

The Government of India in November 2000 announced the National Textile Policy 2000, thereby replacing the previous textile Policy of 1985. Though it is to be noted that a revised national Textile policy is in framework stage, however the same is yet to be notified. The main objective of the NTxP – 2000 was to enable the Industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It aimed at achieving textile and apparel exports of upto \$ 50 billion by 2010 from the present \$ 11 billion. The NTxP – 2000 took note the new challenges and opportunities presented by the changing global environment, particularly the intention of the process of gradual phasing out of quantitative restrictions on imports and the lowering of tariff levels for an integration of the world textile and clothing markets by the end of 2004.

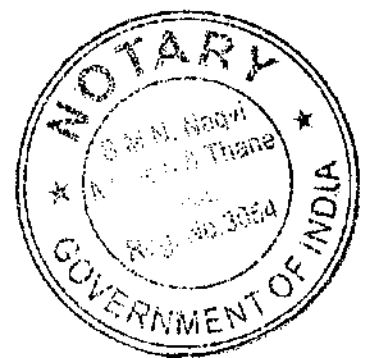
**THE TEXTILE COMMITTEE ACT, 1963**

The Textile Committee Act, 1963 ("TCA") was enacted in 1963. The Textile Committee has been established under TCA (hereinafter referred to as the "Textile Committee") with primary objective of ensuring a standard quality of textiles both for domestic and export market as well as standardization of the type of textile machinery used for production. The Textiles Committee's function includes, among others the promotion of India Textile and textile exports, researching in technical and economic fields, establishing standards for Indian Textiles and Textile Machinery, setting up of laboratories, and date collection. Additionally, he Committee regulates the Imposition of cess on textile and textile machinery that is manufactured in India under the Textiles Committee Act. The Additional Duties of Excise (Textile and Textile Articles) Act, 1978 prescribes and provides for the levy and collection of an additional excise duty on certain textile and textile articles.

**TEXTILE (DEVELOPMENT AND REGULATION) ORDER, 2001 ("TEXTILE ORDER")**

The Textile Order was brought into force by the central Government under Section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, Textile Machinery and every person dealing with textile business shall keep books of accounts data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textile resembling the brand name or trade name of any other person who has applied or obtained to that effect under the Trade and Merchandise Marks, 1958, except under and limited to the extent of the specific authorization by the holder of or applicant for such brand or trade name.



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### **THE LEGAL METROLOGY ACT, 2009**

An act 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 and for matters incidental thereto. The part of metrology in relation to weighing and measuring units as well as methods of weighing and measuring instruments with the object of ensuring public guarantee and from the point of view of security and accuracy of weighing and measurement. Any weight or measure which conforms to the standard of such weight or measure and also conforms to such of the provisions of Sec. 7 as are applicable to it shall be the standard of weight or measure. Any numeral which conforms to the provisions of Sec. 6 shall be the standard numeral. It further provides that no weight, measure or numeral, other than the standard weight, measure or numeral shall be used as a standard weight, measure or numeral.

Every reference standard, secondary standard and working standard shall be verified and stamped in such manner and after payment of such fee as may be prescribed. Every reference standard, secondary standard and working standard which is not verified and stamped in accordance with the provisions shall not be deemed to be a valid standard. The provision relating to Use and Prohibition provides that no person shall, in relation to any goods, things or service quote, or make announcement of, whether by word of mouth or otherwise, any price or charge, or issue or exhibit any price list, invoice, cash memo or other document, or prepare or publish any advertisement, poster or other document, or indicate the net quantity of a pre-packaged commodity, or express in relation to any transaction or protection, any quantity or dimension, otherwise than in accordance with the standard unit of weight, measure or numeration.

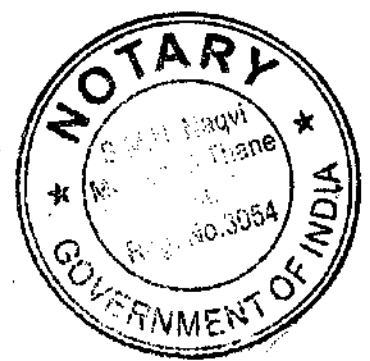
No person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the Controller. No licence to repair shall be required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Controller shall issue a licence in such form and manner, on such conditions, for such period and such area of jurisdiction and on payment of such fee as may be prescribed.

### **THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- c. Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the





bank rated notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council („Council“). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act

**LAWS RELATING TO EMPLOYMENT AND LABOUR**

**CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986**

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

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

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

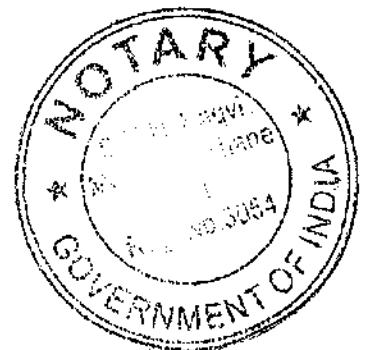
The Act is administered by the Government of India through the Employees’ Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:

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

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

**PAYMENT OF GRATUITY ACT, 1972 (Gratuity Act)**

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





#### **PAYMENT OF BONUS ACT, 1965 (POB Act)**

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

#### **WORKMEN'S COMPENSATION ACT 1923 (WCA)**

This Act came into force on 1<sup>st</sup> April, 1924. It aims at providing financial protection to workmen and their dependants in case of accidental injury by means of payment of compensation by the employers. However, here the employer shall not be liable in respect of any injury that does not result in the total or partial disablement of the workmen for a period exceeding 3 days in respect of any injury not resulting in death, caused by an accident which was due to the reason that workman was under the influence of drugs, or due to his wilful disobedience of an order expressly given to him, or a wilful removal or disregard of any safety device by the workmen, or when the employee has contracted a disease which is not directly attributable to a specific injury caused by the accident or to the occupation.

#### **EMPLOYEES STATE INSURANCE ACT, 1948 (ESI Act)**

The promulgation of Employees' State Insurance Act, 1948(ESI Act), by the Parliament was the first major legislation on social Security for workers in independent India. It was a time when the industry was still in a nascent stage and the country was heavily dependent on an assortment of imported goods from the developed or fast developing countries. The deployment of manpower in manufacturing processes was limited to a few select industries such as jute, textile, chemicals etc. The legislation on creation and development of a fool proof multi-dimensional Social Security system, when the country's economy was in a very fledgling state was obviously a remarkable gesture towards the socio economic amelioration of a workforce though limited in number and geographic distribution. India, notwithstanding, thus, took the lead in providing organized social protection to the working class through statutory provisions.

The ESI Act, 1948, encompasses certain health related eventualities that the workers are generally exposed to; such as sickness, maternity, temporary or permanent disablement, Occupational disease or death due to employment injury, resulting in loss of wages or earning capacity-total or partial. Social security provision made in the Act to counterbalance or negate the resulting physical or financial distress in such contingencies, are thus, aimed at upholding human dignity in times of crises through protection from deprivation, destitution and social degradation while enabling the society the retention and continuity of a socially useful and productive manpower.

#### **INDUSTRIAL DISPUTES ACT, 1947 ("ID ACT") AND INDUSTRIAL DISPUTE (CENTRAL) RULES, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workmen. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial





obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lockouts, closures, lay-offs and retrenchment.

**CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970**

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment of contract labour in certain establishments to provide for its abolition and certain circumstances and for matters connected herewith.

**INTELLECTUAL PROPERTY LAWS**

**TRADEMARKS ACT, 1999 (TM Act)**

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

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

**COPYRIGHTS ACT, 1957 (Copyright)**

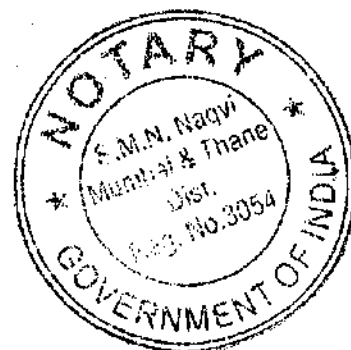
The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

**PATENTS ACT, 1970 (Patent Act)**

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.





**THE INFORMATION TECHNOLOGY (“IT”) ACT, 2000**

This Act aims to provide the legal infrastructure for e-commerce in India. And the cyber laws have a major impact for e-businesses and the new economy in India. So, it is important to understand what are the various perspectives of the IT Act, 2000 and what it offers. The Information Technology Act, 2000 also aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means. The Act states that unless otherwise agreed, an acceptance of contract may be expressed by electronic means of communication and the same shall have legal validity and enforceability.

**PROPERTY RELATED LAWS**

**TRANSFER OF PROPERTY ACT, 1882**

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

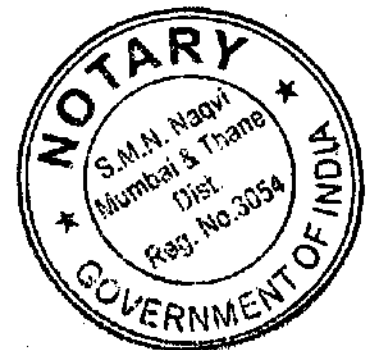
**THE INDIAN STAMP ACT, 1899**

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

**TAXATION & DUTY LAWS**

**THE CENTRAL SALES TAX ACT, 1956 (“Central Sales Tax Act”)**

Central Sales Tax Act 1956 was enacted by the Parliament and received the assent of the president on December 21, 1956. Imposition of tax became effective from July 1, 1957. It extends to the whole of India. Every dealer who makes an inter-state sale must be a registered dealer and a certificate of registration has to be displayed at all places of his business. There is no exemption limit of turnover for the levy of central sales tax. The tax is levied under this act by the Central Government but, it is collected by that state government from where the goods were sold. The tax thus collected is given to the same state government which collected the tax. In case of union Territories the tax collected is deposited in the consolidated fund of India.





### VALUE ADDED TAX ("VAT")

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of materials by a Libas Designs Limited manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

### INCOME TAX ACT, 1961

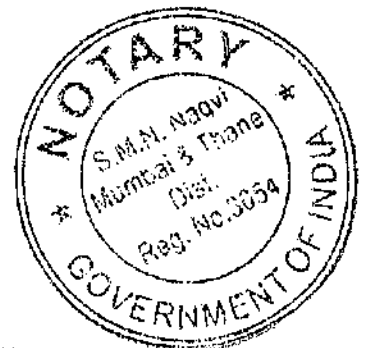
The government of India imposes an income tax on taxable income of all *persons* including individuals, Hindu Undivided Families(HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

### SERVICE TAX ACT, 1994

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assessee is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7 (1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half-year to which the return relates.

### PROFESSIONAL TAX

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.



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**IMPORTANT GENERAL LAWS**

**THE COMPANIES ACT, 1956**

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Companies Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

**THE COMPANIES ACT, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 notified 100 Sections and on March 26, 2014 notified 183 Sections of the Companies Act, 2013. The same are applicable from September 12, 2013 and April 01, 2014, respectively. The Ministry of Corporate Affairs has issued the rules and new improved e-forms complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

**FOREIGN EXCHANGE MANAGEMENT ACT, 1999**

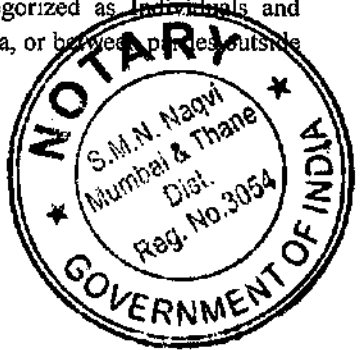
The Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry,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

**THE FOREIGN TRADE (DEVELOPMENT & REGULATION) ACT, 1992**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

**THE COMPETITION ACT, 2002**

The Competition Act, 2002 (the "Competition Act") prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside





India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

**THE INDIAN CONTRACT ACT, 1872 ("CONTRACT ACT")**

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

**BOMBAY SHOPS AND ESTABLISHMENTS ACT, 1948**

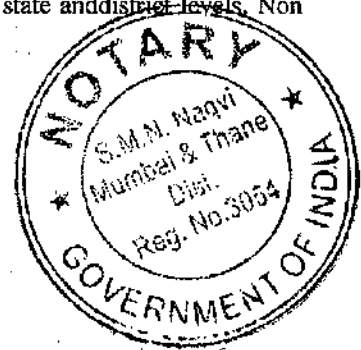
The Bombay Shops and Establishments Act, 1948 ("Bombay Shops and Establishments Act") provides for compulsory registration of shops / establishments, communication of closure of shops / establishments, lays down the hours of work - per day and week; guidelines for rest interval, opening and closing hours, closed days, national and religious holidays, overtime work; rules for employment of children, young persons and women; annual leaves, maternity leaves, sick and casual leaves; employment and termination of service etc. The Bombay Shops and Establishments Act provides for the maintenance of statutory registers and records, display of notices and obligations of employers as well as employees.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000.

**CONSUMER PROTECTION ACT, 1986 (COPRA)**

The Consumer Protection Act, 1986 ("COPRA") aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.





**OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS**

Our Company was incorporated as Libas Designs Private Limited under the provisions of the Companies Act 1956 vide certificate of incorporation dated November 10, 2004, issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a public limited company pursuant to which the name of our Company was changed to "Libas Designs Limited" vide fresh certificate of incorporation dated September 20, 2016.

The registered office of our company at the time of Incorporation was at 4B Chandan Building, 62B Peddar Road, Mumbai - 400026, Maharashtra, India. Our Registered Office was shifted with effect from October 20, 2016 to Gala No 55, Apaki Industrial Premises Co-operative Society Limited, Plot No. 246, Masrani Lane, Kurla ( W ) Mumbai - 400070, Maharashtra, India.

For information on the Company's activities, market, growth, technology and managerial competence, please see the chapters "Our Management", "Our Business" and "Our Industry" beginning on pages 135, 103 and 95 respectively of this Prospectus.

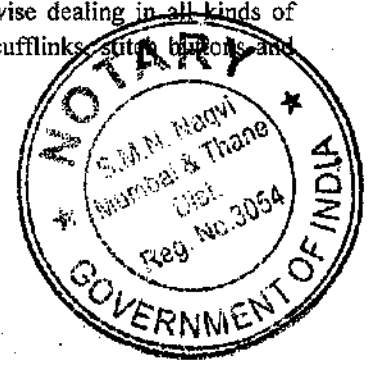
**KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY**

Year	Event
2004	Our company was incorporated as Libas Designs Private Limited.
2005	Open First store under the brand name of LIBAS RIYAZ GANGJI in Mumbai
2010	Open its Second Store in Mumbai
2013	Open two more store in the same year in Mumbai
2014	Signing a Franchisee Agreement to open the Store in Ludhiana
2016	Open another store in Pune
2016	Issue of bonus shares in ration of 2.5:1 to the shareholders.
2016	Rights Issue in the ratio 4:7 to the shareholders.
2016	Rights Issue in the ratio 277:1000 to the shareholders.
2016	Company was converted into Public Limited Company.

**OUR MAIN OBJECTS**

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

- To carry on the business of manufacturers, importers and exporters, wholesalers and retail dealers of and in men's women's and children's clothing and wearing apparel of every kind, nature and description including shirts, bush-shirts, pyjama suits, vests, underwears, suits, jackets, trousers, sherwanis, kurtas and other Indian as well international ethnic wear garments for men, women and children, foundation garments for ladies dresses, brassieres, maternity belts, knee caps, coats, panties, nighties.
- To manufacture and/or deal in all types of furnishing fabrics, upholstery, curtains and such other products.
- To carry on business of buying, selling, importing, exporting and otherwise dealing in all kinds of tailoring materials, like buttons, zip fasteners, lining materials, buckles, cufflinks, stiches buttons and other similar and analogous materials.





**AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION**

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

Date of Shareholders' Approval	Amendment
September 15, 2008	The Initial Authorized Share Capital of Rs. 5,00,000 (Rupees Five Lakh only) consisting of 50,000 Equity shares of face value of Rs. 10 each was increased to Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10 each
August 4, 2016	The authorized capital of Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10 each was increased to Rs. 11,00,00,000 (Rupees Eleven Crore only) consisting of 1,10,00,000 Equity Shares of face value of Rs.10 each
September 14, 2016	Conversion of private company into public company and subsequent change of name from 'Libas Designs Private Limited' to 'Libas Designs Limited'

**HOLDING COMPANY OF OUR COMPANY**

Our Company has no holding company as on the date of filing of this Prospectus.

**SUBSIDIARY COMPANY OF OUR COMPANY**

Our Company has no subsidiary company as on the date of filing of this Prospectus.

**INJUNCTIONS OR RESTRAINING ORDERS**

The Company is not operating under any injunction or restraining order.

**DETAILS OF PAST PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning onpage 156 of this Prospectus.

**SHAREHOLDERS AGREEMENTS**

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

**OTHER AGREEMENTS**

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and Agreement dated August 04, 2016with Managing Director for her appointment as on the date of filing of this Prospectus.

**RESTRICTIVE COVENANTS IN LOAN AGREEMENTS**

Our Company has availed Credit facilities from Union Bank of India vide Sanction letter dated February 05, 2016.Union Bank of India has issued us No Objection Certificate in relation to our IPO vide letter dated November 08, 2016.

Following are certain restrictive conditions given by Union Bank of India for sanction of loans:

- Firm/Company not to be reconstituted without Bank's prior approval and in case the same has to be done, bank reserves its right to continue the limit(s) to reconstituted firm/company or otherwise, depending upon merits of the case.



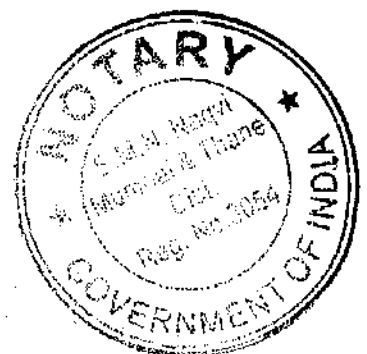
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- The Bank will have the right to examine at all times, the books of accounts of the firm and to have their factories / units inspected from time to time by its officer/s and / or outside agencies / chartered accountants and the expenses to be incurred by the Bank in this regard will be borne by the Firm.
- Company to plough back Net Profit in the system, retain capital & unsecured loan family members/relatives/directors etc. so as to maintain minimum current ratio of 1.17:1, Total outside liabilities/ tangible networth without quasi equity should not be more than 4:1.
- Company should not diverse funds to sister concern/associate concern, no inter-transfer of funds within the group, except for genuine trade transactions.
- Company should not declare dividend without prior consent of the Bank.
- Valuation of immovable properties charged to the Bank has to be carried out at least once in 3 years or as and when deemed fit by the Bank through empanelled valuers.
- Bank's advance(s) is/are repayable on demand and may be recalled/cancelled/modified without giving prior notice and Banks's reserves its rights to recall/cancel/modify/freeze the credit facility(s) if subsequently it is found that the information/papers submitted by the party is/are false/ incorrect and same is prejudicial to the interest of the Bank & it could have affected Bank's decision in sanctioning/continuing the credit facility(s) to the party.

Details of borrowing and charges of Union Bank of India:

Sr. No.	Date of charge creation/modification	Charge amount secured	Charge holder	Facilities	Security
1.	February 25, 2016	Rs. 13.00 Cr.	Union Bank of India 100, BTM Compound, LBS Marg, Bhandup (West), Mumbai-400078	Cash Credit of Rs. 11.00 Cr. Term Loan / DPGL Other Secured Term Loan of Rs. 2.00 Cr.	First charge on Books debts and Stock in Business First charge on Furniture, Electrical Fittings, Facades and other Assets created out of Bank finance. <b>Collateral Securities:</b> (1) Flat No 1103 and 1203, A Wing, 11 <sup>th</sup> and 12 <sup>th</sup> Floor, Duplex Height Andheri (W), Mumbai - 400053 - In the name of Riyaz Ganji and Reshma Ganji (2) Gala no. 55, Sidhapura Industrial Estate, Masrani Lane, Near Halav Pool, Kurla (W), Mumbai - 400070 - In the name of Riyaz Ganji (3) Gala No 62, Sidhapura Industrial Estate, Masrani Lane, Near Halav Pool, Kurla (W), Mumbai - 400070 - In the name of Nishant Mahimtura



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**STRATEGIC/ FINANCIAL PARTNERS**

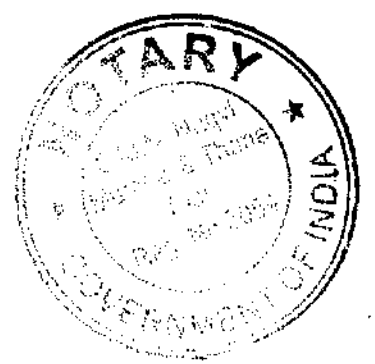
Our Company does not have any strategic and financial partners as on the date of filing of this Prospectus.

**DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus.

**NUMBER OF SHAREHOLDERS**

Our Company has 10 (Ten)shareholders on date of this Prospectus.



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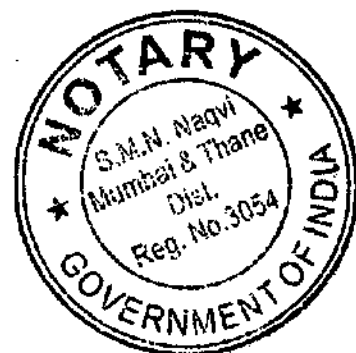
## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to Sections 252 and 259 of the Companies Act, 1956 / Section 149 of Companies Act, 2013. We currently have Six Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus other than Directorship in our Company:

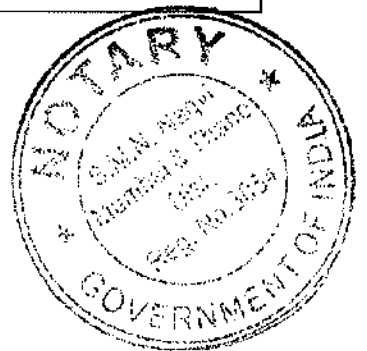
Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1.	<p><b>Name:</b> Mrs. Reshma Riyaz Ganji</p> <p><b>Age:</b> 43 Years</p> <p><b>Father's Name:</b> Mr. Seetharamkodibail Shetty</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> Duplex Heights C.H.S., Tower 5, A Wing, Flat No 1103, Yamuna Nagar, Lokhandwala Complex, Andheri (W), Mumbai- 400053, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 years</p> <p><b>DIN:</b> 07576582</p>	July 26, 2016	Nil
2.	<p><b>Name:</b> Mr. Nishant Mitrasen Mahimtura</p> <p><b>Age:</b> 69 Years</p> <p><b>Father's Name:</b> Mr. Mitrasen Mahimtura</p> <p><b>Designation:</b> Director</p> <p><b>Address:</b> 4-B, Chandan Building, 62B, Peddar Road, Mumbai - 400026, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Retire by rotation</p> <p><b>DIN:</b> 02000572</p>	November 10, 2004	Nil



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3.	<p><b>Name:</b>Mr.RiyazEqbalGanji  <b>Age:</b>46 Years  <b>Father's Name:</b>Mr. Eqbal Ahmed Ganji  <b>Designation:</b> Executive Director  <b>Address:</b>1103/1203, Tower No.5, Duplex Heights, Yamuna Nagar, Andheri (West) Mumbai - 400095, Maharashtra, India  <b>Occupation:</b>Business  <b>Nationality:</b>Indian  <b>Term:</b> Retire by rotation  <b>DIN:</b>02236203</p>	November 10, 2004	Nil
4.	<p><b>Name:</b>Mr.Anand DevidasTaggarsi  <b>Age:</b>50 Years  <b>Father'sName:</b>Mr.DevidasKrishnaraoTaggarsi  <b>Designation:</b> Independent Director  <b>Address:</b>Flat No. 13, Green Acre CHS., Plot No. 19, Amritvan, Goregaon (East) Mumbai 400063, Maharashtra, India  <b>Occupation:</b>Service  <b>Nationality:</b>Indian  <b>Term:</b> 5 Years  <b>DIN:</b>06959365</p>	September 21, 2016	1. Seya Industries Limited
5.	<p><b>Name:</b>Mr.Vivek Padmanabh Kamath  <b>Age:</b>55Years  <b>Father'sName:</b>Mr.PadmanabhNarayan Kamath  <b>Designation:</b> Independent &amp; Non-Executive Director  <b>Address:</b>201 Shubhkamana, T H Kataria Road Mahim Mumbai 400016 Maharashtra, India.  <b>Occupation:</b>Service  <b>Nationality:</b>Indian  <b>Term:</b> 5 Years  <b>DIN:</b>07239860</p>	September 21, 2016	1. Wellcorp Health Services Private Limited





6.	<p><b>Name:</b>Ms. ReemaDeepak Varde  <b>Age:</b>35 Years  <b>Father'sName:</b>Mr.HemantLaxmidasMotiwala  <b>Designation:</b>Independent&amp;Non-Executive Director  <b>Address:</b>Madhuban (1<sup>st</sup> Floor, 7 Labumum Road Opp. Dr. Mangshkar Clinic New Gamdevi Road, Grant Road, Mumbai - 400007, Maharashtra, India.  <b>Occupation:</b> Professional  <b>Nationality:</b>Indian  <b>Term:</b> 5 Years  <b>DIN:</b>07604537</p>	September 21, 2016	NIL
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**BRIEF BIOGRAPHIES OF OUR DIRECTORS**



Mrs. Reshma Riyaz Ganji, aged 43 years, is the Managing Director of our Company. She has done her graduation from Mumbai University. She is a Mumbai based International fashion designer and having experience of more than 20 years in this field. She is the first Indian female designer to represent India at the World Trade Center (New York). She has also received the 'No. 1 Fashion Designer Brand Award' in 2015 for Libas.



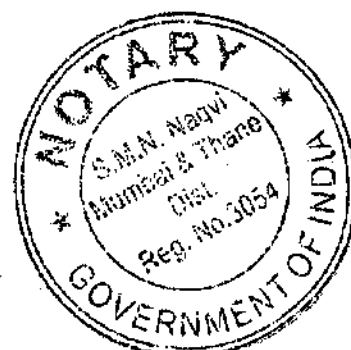
Mr. Nishant Mitrasen Mahimtura, aged 69 Years, is the Promoter and Director of our Company. He is Bachelor of Science from University of Bombay. He holds a Diploma in Marketing and Advertising. He is having more than 45 years of experience in the fields of Marketing and Finance. He looks after strategic planning, marketing and managing the finance & accounts of Libas Designs Limited. Recently considering his expertise and vast experience in the field of finance and accounts he has been appointed as the CFO of the company



Mr. Riyaz Eqbal Ganji, aged 46 Years, is the Executive Director of our Company. He has done his SSC in the year 1986. He is having rich experience of more than 26 years. He returned to Mumbai after working under Shenzhen tailor for a year in Hong Kong and started his First Libas - Riyaz Ganji store in the year 1996 under the proprietorship firm Libas Fashions. He has been designer of the first international video of A.R. Rahman in Vande Mataram. In 1996.



Mr. Anand Taggarasi, aged 50 years, is the Non - Executive & Independent Director of our Company. He is Bachelor of Commerce from University of Bombay. He holds the degree of Master of Business Administration (Part time) in Finance from NMIMS University. He is having experience of more than 25 year in Banking Industries and presently associated with Aditya Birla Financial Services as a Consultant.



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**Mr. Vivek Padmanabh Kamath**, aged 55 years, is the Non - Executive & Independent Director of our Company. He has done his Post graduation in Science from University of Bombay. He holds the degree of Master of Business Administration in Marketing from University of Bombay. He is having experience of more than 20 years in the areas of General Management, Marketing, Sales, Strategic Planning, Business Development & Healthcare Communications. He is currently the Group COO at Pinnacle Cancer Centers India & International that provide world-class comprehensive cancer care services in Medical, Surgical & Radiation Oncology at its centers in India and overseas.



**Ms. Reema Varde**, aged 35 years, is the Non - Executive & Independent Director of our Company. She has done diploma course in Basic Fashion Technology from B.D. Somani Institute of Art and Fashion Technology. She works as a freelancer designer. She had started her career as freelance designer at renowned Men's wear label Jinaam in year 2001. She also headed the design department at Rajkamal Sarees for brief time. She successfully has consulted many domestic labels as brand strategist. She dedicated 17 years of her life as senior faculty & later as assistant HOD of the fashion department at B.D. Somani Institute of Art and Fashion Technology. She also worked as senior merchandiser at Naina Apparel and, also heads the Head of Department position at INIFD Vashi Branch. Her versatile portfolio gives her the extra niche over her contemporaries as her Dynamic profile covers all spectrum of Fashion world.

#### CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from Mr. RiyazEqbalGanji and Mrs. ReshmaRiyazGanji who are related to each other as Husband and Wife, none of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of Our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above-mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
6. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority. For further details refer Chapter titled "Outstanding Litigation and Material Developments" beginning on page 195 of this Prospectus.



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#### REMUNERATION / COMPENSATION OF DIRECTORS

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. Except Mr. Nishant Mitrasen Mahimtura, and Mr. Riyaz Eqbal Ganji who have been paid Gross Compensation of Rs. 6 lakhs and 24 lakhs respectively during Fiscal Year 2015-16, none of our Directors had received any remuneration during preceding financial year.

#### SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mrs. Reshma Riyaz Ganji	12,35,100	22.45	16.47
2.	Mr. Nishant Mitrasen Mahimtura	22,60,000	41.09	30.13
3.	Mr. Riyaz Eqbal Ganji	12,48,900	22.71	16.65
4.	Mr. Anand Devidas Taggarsa	Nil	Nil	Nil
5.	Mr. Vivek Padmanabh Kamath	Nil	Nil	Nil
6.	Ms. Reema Deepak Varde	Nil	Nil	Nil

#### INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to anybody corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

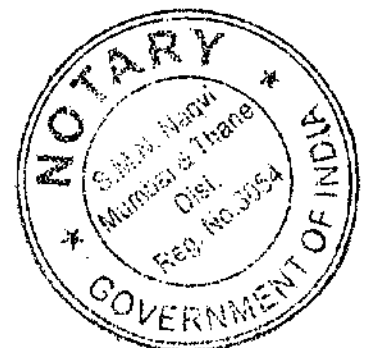
Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on pages 135 and 154 respectively of this Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.



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**PROPERTY INTEREST**

Except as stated/referred to in the heading titled "Land & Properties" beginning on page 118 of this Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

**CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS**

Name	Date of event	Nature of event	Reason
Mrs. Reshma Riyaz Ganji	July 26, 2016	Appointment	Appointment as Managing Director
Mr. Anand Devidas Taggarsi	September 21, 2016	Appointment	Appointment as Non-Executive & Independent Director
Mr. Vivek Padmanabh Kamath	September 21, 2016	Appointment	Appointment as Non-Executive & Independent Director
Ms. Reema Deepak Varde	September 21, 2016	Appointment	Appointment as Non-Executive & Independent Director

**BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on September 21, 2016 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 100 Crores (Rupees One Hundred Crore Only).

**CORPORATE GOVERNANCE**

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Six Directors. We have One Managing Director, Two Executive Director and Three Non-Executive & Independent Directors. The constitution of our Board is in compliance with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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



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

**A) Audit Committee**

Our Company has reconstituted an audit committee ("**Audit Committee**"), as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on September 21, 2016.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors.

**Composition of Audit Committee:**

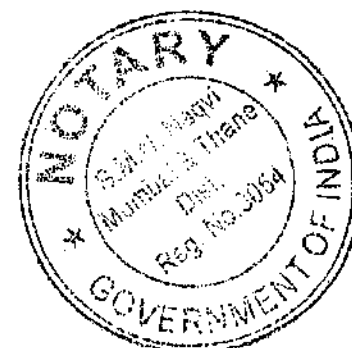
Name of the Director	Status	Nature of Directorship
Mr. Anand Devidas Taggarsai	Chairman	Non-Executive & Independent Director
Ms. Reema Deepak Varde	Member	Non-Executive & Independent Director
Mr. Nishant Mitrasen Mahimtura	Member	Executive Director

Mr. Anand Devidas Taggarsai is the Chairman of the Audit Committee.

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**Role of the audit committee:**

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.



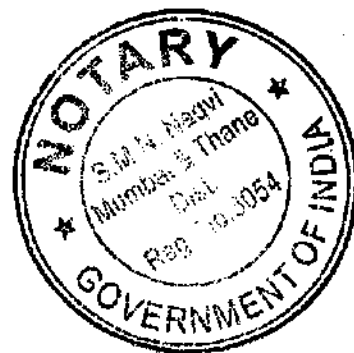
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6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
19. Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
21. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:



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- a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Powers of the Audit Committee:**

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**B) Stakeholders Relationship Committee**

Our Company has constituted a stakeholders relationship committee ("*stakeholders relationship committee*") to redress the complaints of the shareholders. The stakeholders relationship committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held September 21, 2016.

**Composition of Stakeholders Relationship Committee**

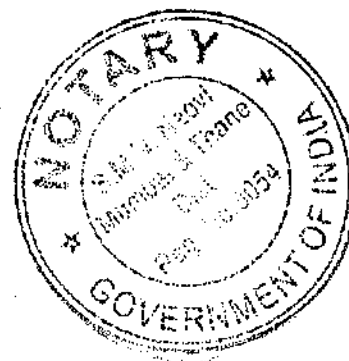
Name of the Director	Status	Nature of Directorship
Mr. Anand Devidas Taggarsi	Chairman	Non-Executive & Independent Director
Mr. Vivek Padmanabh Kamath	Member	Non-Executive & Independent Director
Mr. Nishant Mitrasen Mahimtura	Member	Executive Director

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

1. Redressal of shareholders'/investors' complaints.
2. Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
4. Non-receipt of declared dividends, balance sheets of the Company.
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**C) Nomination and Remuneration Committee**

Our Company has reconstituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on September 21, 2016



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**Composition of Nomination and Remuneration Committee**

Name of the Director	Status	Nature of Directorship
Mr. Anand Devidas Taggarsi	Chairman	Non-Executive & Independent Director
Mr. Vivek Padmanabh Kamath	Member	Non-Executive & Independent Director
Ms. Reema Deepak Varde	Member	Non-Executive & Independent Director

Mr. Anand Devidas Taggarsi is the Chairman of the Nomination and Remuneration Committee.

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

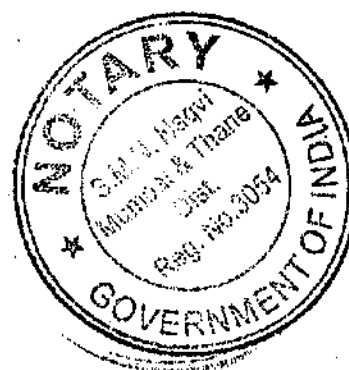
**Role of Nomination and Remuneration Committee are:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Mr. Govind Rao, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.



012

## KAUSTUBH GUPTE

### ADVOCATE

Office No. 9, Ground Floor, 285 Sucheta Niwas, Shahid Bhagat Singh Road, Fort,  
Mumbai 400001.

Contact No.9769763947

Email Id: advkaustubhagupte@gmail.com

To,

Date:- 28<sup>th</sup> June, 2023

1. Libas Consumer Products Ltd.  
401, 4th Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.
2. Riyas Eqbal Ahmed Ganji  
1103, A wing, Duplex Heights,  
Yamuna Nagar, Andheri West,  
Mumbai - 400053.
3. Mr. Nishant Mitrasen Mahimtura  
4B, Peddar Road, Chandan 62-B  
Mumbai 400026.
4. Ms. Kalpana Kumari  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.
5. Mr. Ashish Anil Dubey  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.
6. Mr. Rishi Rajnikant Sharma  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.
7. Ms. Pooja Sanjiv Hindia  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.
8. Ms. Nita Sunil Mishra  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.

9. Mr. Tarpan Shah  
Having office address at  
Libas Consumer Products Ltd.  
401, 4<sup>th</sup> Floor, Crecent Royale,  
Off New Link Road Lokhandwala,  
Andheri (West), Mumbai 400053.

**Ref.:- BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

**COMPANY PETITION NO. OF 2023**

Ms. Reshma Riyaz Ganji

...Petitioner

V/s.

Libas Consumer Products Ltd. & Ors.

...Respondents

Sir,

In the above matter, I am concerned for the Petitioner. Enclosed herewith please find attached, a copy of the captioned Company Petition, as and by way of service upon you. Kindly acknowledge the receipt of the same.

Yours truly,

*Kaushik Gupta*

Advocate for Petitioner

Encl.:- As above

RL 4212020218 <421202>  
RL A RM7067093611N  
Counter No:1, OP-Code:OPER  
To: POOJA SANJIV HINDIA,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:12  
<<Track on [www.indiapost.gov.in](http://www.indiapost.gov.in)>>



RL 4212020218 <421202>  
RL A RM7067093751N  
Counter No:1, OP-Code:OPER  
To: KALPANA KUMARI,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:15  
<<Track on [www.indiapost.gov.in](http://www.indiapost.gov.in)>>



RL 4212020218 <421202>  
RL A RM7067093891N  
Counter No:1, OP-Code:OPER  
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MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:14  
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From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
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MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
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RL 4212020218 <421202>  
RL A RM7067093351N  
Counter No:1, OP-Code:OPER  
To: ASHISH ANIL DUBEY,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:17  
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RL 4212020218 <421202>  
RL A RM7067093271N  
Counter No:1, OP-Code:OPER  
To: NISHANT MITRASEN MAHIMTURA,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:18  
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RL 4212020218 <421202>  
RL A RM7067093131N  
Counter No:1, OP-Code:OPER  
To: TARPAN SHAH,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:19  
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RL 4212020218 <421202>  
RL A RM7067093001N  
Counter No:1, OP-Code:OPER  
To: NITA SUNIL MISHRA,  
MUMBAI, PIN:400053  
From: ADV. KAUSTUBH GUPTA, MUMBAI-1  
Wt: 1670grams,  
Amt:437.00, , 28/06/2023, 10:20  
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