



CHEMTECH INDUSTRIAL VALVES LIMITED

Our Company was incorporated as “Chemtech Industrial Valves Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 15, 1997 bearing Registration No. 105108 in Mumbai, Maharashtra. Our Company was converted into a public limited company vide fresh Certificate of Incorporation dated April 22, 2013 and consequently name of our Company was changed to “Chemtech Industrial Valves Limited”. The Corporate Identification Number of our Company is U29299MH1997PLC105108. For further details about our Company, please refer to the section titled “History and Certain Other Corporate Matters” beginning on page 112 of this Prospectus

Registered Office : 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai 400078, Maharashtra, India.
Tel: + 91-22- 2577 3308; **Fax:** + 91-22-2579 4128; **E-Mail:** investors@chemtechvalves.com; **Website:** www.chemtechvalves.com

Contact Person : Mr. Mohammed Abdullah Slatewala, Company Secretary & Compliance Officer;

Whole-time Director: Mr. Ignatious David Chittatukarakaran Inasu

Promoters of the Company: Mr. Pradeep Shikharchand Badkur, Mr. Harsh Pradeep Badkur and Mrs. Namrata Pradeep Badkur

THE ISSUE

PUBLIC ISSUE OF 49,52,000 EQUITY SHARES OF RS. 10/- EACH FULLY PAID OF CHEMTECH INDUSTRIAL VALVES LIMITED (“CIVL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 15/- PER EQUITY SHARE (THE “ISSUE PRICE”) (WHICH INCLUDES A SHARE PREMIUM OF RS. 5/- PER EQUITY SHARE), AGGREGATING TO RS. 742.80 LACS (“THE ISSUE”), OF WHICH, 2,80,000 EQUITY SHARES OF RS. 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE PROSPECTUS) (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.e. ISSUE OF 46,72,000 EQUITY SHARES OF RS. 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 43.17% AND 40.73%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10. THE ISSUE PRICE IS RS. 15. THE ISSUE PRICE IS 1.50 TIMES OF THE FACE VALUE.

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

For Further Details See “Issue Related Information” Beginning On Page 224 of this Prospectus.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 230 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE TO THE PUBLIC

This being the first issue of our Company, there has so far been no formal market for the securities of the company. The face value of the Equity Shares is Rs. 10/- and the issue price is at 1.50 times of face value. The issue price as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on “Basis For Issue Price” beginning on page 71 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 or sustained trading in the shares of the company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by 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” beginning on page 12 of this Prospectus.**

ISSUER'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 the 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 SME Platform of BSE Limited (“BSE”). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our company has received an approval vide letter no. DCS/IPO/PB/IP/367/2013-14 dated October 11, 2013 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).

LEAD MANAGER



CHOICE CAPITAL ADVISORS PRIVATE LIMITED
Shree Shakambhari Corporate Park, Plot No 156-158,
Chakravarti Ashok Society, J.B. Nagar, Andheri (East),
Mumbai – 400099
Tel : 022 6707 9999
Fax: 022 6707 9959
Website: www.choiceindia.com
Email: investor_advisors@choiceindia.com
Contact Person: Mrs. Sujata Chattopadhyay
SEBI Registration No: INM000011872

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
E-2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (East),
Mumbai – 400072
Tel: 022 4043 0200
Fax: 022 2847 5207
E-mail: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Ashok Shetty
SEBI Registration No: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: WEDNESDAY, JANUARY 15, 2014

ISSUE CLOSES ON: FRIDAY, JANUARY 17, 2014

TABLE OF CONTENTS

SECTION	TITLE	PAGE NO
I	GENERAL	
	DEFINITIONS AND ABBREVIATIONS	1
	PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	10
	FORWARD LOOKING STATEMENTS	11
II	RISK FACTORS	12
III	INTRODUCTION	
	SUMMARY OF INDUSTRY	33
	SUMMARY OF BUSINESS	35
	SUMMARY OF FINANCIAL DATA	36
	THE ISSUE	42
	GENERAL INFORMATION	43
	CAPITAL STRUCTURE	51
	OBJECTS OF THE ISSUE	65
	BASIS FOR ISSUE PRICE	71
	STATEMENT OF POSSIBLE TAX BENEFITS	73
IV	ABOUT OUR COMPANY	
	INDUSTRY OVERVIEW	84
	BUSINESS OVERVIEW	89
	KEY INDUSTRY REGULATIONS AND POLICIES	104
	HISTORY AND CERTAIN OTHER CORPORATE MATTERS	112
	OUR MANAGEMENT	115
	OUR PROMOTERS	129
	OUR PROMOTER GROUP AND GROUP ENTITIES	131
	DIVIDEND POLICY	142
V	FINANCIAL INFORMATION	
	FINANCIAL STATEMENTS	143
	FINANCIAL INDEBTEDNESS	184
	MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	193
VI	LEGAL AND OTHER INFORMATION	
	OUTSTANDING LITIGATION , MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES	201
	GOVERNMENT & OTHER APPROVALS	208
	OTHER REGULATORY AND STATUTORY DISCLOSURES	212
VII	ISSUE RELATED INFORMATION	
	TERMS OF THE ISSUE	224
	ISSUE STRUCTURE	228
	ISSUE PROCEDURE	230
VIII	MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	251
IX	OTHER INFORMATION	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	318
	DECLARATION	320

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

**SECTION I – GENERAL
DEFINITION AND ABBREVIATIONS**

Unless the context otherwise indicates, the following terms and abbreviations stated hereunder shall have the meaning as assigned therewith. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

CONVENTIONAL/ GENERAL TERMS

Term	Description
Act/ Companies Act	The Companies Act, 1956 and amendments thereto. The Companies Act, 2013, to the extent of such of the provisions as have come into force vide Ministry of Corporate Affairs' Notification dated September 12, 2013.
Depositories Act	The Depositories Act, 1996 and amendments thereto.
Depository / Depositories	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time, in this case being CDSL and NSDL
EPS	Earnings per Share
IT Act	The Income Tax Act, 1961 and amendments thereto
Indian GAAP	Generally Accepted Accounting Principles in India
NAV	Net Asset Value per Share
PAT	Profit after Tax
RONW	Return on Net Worth
ROC / Registrar of Companies	The Registrar of Companies located at Everest Building, 100, Marine Drive, Mumbai – 400 002, Maharashtra, India
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992 and amendments thereto
SEBI Regulations/SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Code/ Takeover Regulations/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 issued by SEBI on February 20, 1997 and subsequent amendments thereto. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 has been repealed and been replaced by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 on September 23, 2011. The SEBI (SAST) Regulations 2011 which came into effect from October 22, 2011 and subsequent amendments thereto.
Securities Act	United States Securities Act of 1933, as amended.
Wealth Tax Act	The Wealth Tax Act, 1957 and amendments thereto.

COMPANY RELATED TERMS

Term	Description
“CIVL” or “Chemtech” or “The Company” or “Our Company” or “The Issuer” or “The Issuer Company” or “We” or “us” or “our”	Unless the context otherwise indicates, refers to Chemtech Industrial Valves Limited, a Public Limited Company incorporated under the Companies Act, 1956
Articles /Articles of Association / AOA	The Articles of Association of our Company, as amended.
Board of Directors / Board / Director(s) / Our Board	The Board of Directors of our Company or a duly constituted committee thereof.
Director(s)	The director(s) of our Company, unless otherwise specified.
Equity Shares / Shares	Equity Shares of our Company having a face value of Rs. 10/- each, fully paid-up, unless otherwise specified in the context thereof.
Group Companies	Includes those companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act and disclosed in “Our Promoter Group and Group Entities” beginning on page 131 of this Prospectus.
Key Managerial Personnel / KMP	The personnel listed as Key Managerial Personnel in the chapter titled “Our Management” beginning on page 115 of this Prospectus
Listing Agreement	The equity listing agreement to be entered into by our Company with the Stock Exchanges.
Memorandum of Association / Memorandum / MOA	Memorandum of Association of our Company, as amended from time to time
Promoters / Our Promoters	Promoters of our Company, being Mr Pradeep Shikharchand Badkur, Mr. Harsh Pradeep Badkur and Mrs. Namrata Pradeep Badkur
Promoter Group	Unless the context otherwise requires, refers to such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as disclosed in “ Our Promoter Group and Group Entities” beginning on page 131 of this Prospectus .
Registered office	The Registered Office of Our Company situated at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Kanjurmarg (West), Mumbai – 400 078, Maharashtra, India
SME Exchange	Unless the context otherwise requires, refers to the SME platform of the BSE Limited.
Statutory Auditor	The statutory auditor of our company, being M/s. S. P. Jain & Associates, Chartered Accountants
Stock Exchange	Unless the context otherwise require, refers to, the BSE Limited

ISSUE RELATED TERMS

Term	Description
Allot / Allotment / Allotment of Equity Shares	Unless the Context otherwise requires, the allotment of Equity Shares pursuant to this Issue to the successful Applicants.
Allocation / Allocation of Equity Shares	Unless the Context otherwise requires, the allocation of Equity Shares pursuant to this Issue to successful Applicants.
Allottee(s)	Successful applicant(s) to whom Equity Shares are / have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares 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 investor shall apply for the Equity Shares in this Issue.
Application Supported by Blocked Amount / ASBA	Application Supported by Blocked Amount (ASBA) means an application for subscribing to the Issue containing an authorisation to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained by an ASBA Applicants with an SCSB which will be blocked by such SCSB to the extent of the Application Amount
ASBA Investor/ASBA Applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA Process
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled “General Information” on page 43 of this Prospectus.
Bankers to the Issue/Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom Escrow Account will be opened and in this case being HDFC Bank Limited
Basis of Allotment	The basis on which the equity shares will be Allotted to successful Applicants under the Issue in consultation with the Stock Exchange which is described in the Chapter titled “Issue Procedure” beginning on page 230 of this Prospectus
Business Day	Any day on which commercial banks in Mumbai are open for business and shall not include a Saturday, Sunday or a public holiday.
Company Secretary and Compliance Officer	Mr. Mohammed Abdullah Slatewala
Controlling Branch	Such branches of the SCSBs which coordinate Applications made under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, Pan, Occupation and Bank Account details
Depository Participant /DP	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 on http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as appropriate, or the amount blocked by the SCSBs is transferred from the ASBA Account specified by the ASBA Applicants to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Applicants

Designated Stock Exchange	SME Platform of Bombay Stock Exchange Limited (BSE)
Eligible NRIs	NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account	Account opened with Escrow Collection Bank(s) and in whose favour the Applicant will issue cheque(s) or draft(s) in respect of the Application Amount when submitting any Application(s)
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected from the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue / Issue Size / IPO /Initial Public Offering / Public Issue	Public Issue of 49,52,000 Equity Shares of Rs. 10/- each fully paid of Chemtech Industrial Valves Limited ("CIVL" or the "Company" or the "Issuer") for cash at a price of Rs. 15/- per Equity Share (including a share premium of Rs. 5/- per Equity Shares) aggregating to Rs. 742.80 Lacs. The Issue will constitute 43.17% of the post issue paid up capital of the Company
Issue Agreement	The agreement dated July 10, 2013 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The Issue period shall be from January 15, 2014, being the Issue Opening Date, to January 17, 2014, being the Issue Closing Date.
Issue Closing Date	January 17, 2014
Issue Opening Date	January 15, 2014
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 15/-
Issue Proceeds	Proceeds to be raised by our Company through this Issue
LM / Lead Manager	Lead Manager to this Issue, being Choice Capital Advisors Private Limited, SEBI Registered Category I Merchant Bankers.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE
Market Making Agreement	Market Making Agreement dated December 27, 2013 between our Company, Lead Manager and Market Maker.
Market Maker	Choice Equity Broking Private Limited 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 any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved portion of 2,80,000 Equity Shares of Rs. 10/- each at Rs. 15/- (including share premium of Rs. 5/-) per Equity Shares aggregating to Rs. 42,00,000/- (Rupees Forty Two Lacs Only) for Market Maker in the Initial Public Issue of Chemtech Industrial Valves Limited
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only

Net Issue	The Issue (excluding the Market Maker Reservation portion) of 46,72,000 Equity Shares of Rs. 10/- each at Rs. 15/- (including share premium of Rs. 5/-) per Equity Shares aggregating to Rs. 7,00,80,000 (Seven Crores and Eighty Thousand Only) of Chemtech Industrial Valves Limited
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds. Please refer page no 228 of this Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000 (but not including NRIs other than Eligible NRSs)
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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organisation, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organisation validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Public Issue Account	Account opened with the Banker to the Issue i.e. HDFC Bank Limited by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Prospectus	The Prospectus, filed with the ROC containing, inter alia, the Issue opening and closing dates and other information
QIBs / Qualified Institutional Buyers	As defined under the SEBI ICDR Regulations including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial bank, mutual funds registered with SEBI, FII and sub-account (other than 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. 250 million, Pension Fund with minimum corpus of Rs. 250 million, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India and insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India
Refund Account(s)	Account(s) to which subscription monies to be refunded to the investors (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
Refund through electronic transfer of funds	Refund through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable
Refund Banker(s)	The bank(s) which is/are clearing members and registered with SEBI as

	Banker(s) to the Issue, at which the Refund Account for the Issue will be opened, in this case being HDFC Bank Limited
Registrar / Registrar to the Issue	Registrar to this Issue being M/s Bigshare Services Private Limited situated at E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400072
Retail Individual Investors	Individual Applicants, or minors applying through their natural guardians, including HUF (applying through their Karta) and ASBA Applicants, who have applied 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)
Self-Certified Syndicate Banks (SCSBs)	Shall mean a Banker to an Issue registered with SEBI(Banker to an Issue) Regulations, 1994, as amended from time to time, and which offers the service of making Application/s supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time
SCSB Agreement	The deemed agreement between the SCSBs, the Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account
SME Platform of BSE	The SME platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	The Lead Manager being Choice Capital Advisors Private Limited.
Underwriting Agreement	The agreement dated December 27, 2013 entered into between the Choice Capital Advisors Private Limited and Our Company
Working Days	Unless the context otherwise requires: (i) Till Application/Issue Closing date: All days other than a Saturday, Sunday or a public holiday. (ii) Post Application/Issue Closing Date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday; on which commercial banks in Mumbai are open for business in accordance with the SEBI circular no CIR/CFD/DIL/3/2010 dated April 22, 2010.

INDUSTRY RELATED TERMS

Term	Description
API	American Petroleum Institute
CAGR	Compounded Annual Growth Rate
ESI	The Employees State Insurance Act,1948
IDA	Industrial Disputes Act,1948
LNG	Liquefied Natural Gas
OEM	Original Equipment Manufacturer
WEO	The World Energy Outlook
VAT	Value Added Tax

ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
AY	Assessment Year
AS	Accounting Standard issued by the Institute of Chartered Accountants of India
B.Com	Bachelor of Commerce
BSE	Bombay Stock Exchange Limited
CC	Cash Credit
CAGR	Compounded Annual Growth Rate
CLRA	The Contract Labour (Regulation and Abolition) Act, 1970
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CIN	Corporate Identification Number
DIN	Director Identification Number
DGFT	Directorate General of Foreign Trade
DP	Depository Participant
DP ID	Depository Participant's Identity
ECGC	Export Credit Guarantee Corporation
EBIDTA	Earnings before Interest, Depreciation, Tax and Amortisation
ECB	External Commercial Borrowings
EGM	Extraordinary General Meeting
EPA	The Environment Protection Act, 1986
EPS	Earnings Per Share
EPC	Export Packing Credit
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee's State Insurance Corporation
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIPB	Foreign Investment Promotion Board
FTP	Foreign Trade Policy, 2009
FUDBP	Foreign Usance Documentary Bill Purchase
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time

FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI / Government	Government of India
HSC	Higher Secondary Education
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
IT	Information Technology
I.T Rules	The Income Tax Rules, 1962, as amended from time to time
L/C	Letter of Credit
Ltd.	Limited
MIDC	Maharashtra Industrial Development Corporation
MBA	Masters of Business Administration
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MICR	Magnetic Ink Character Recognition
MoA	Memorandum of Association
MoU	Memorandum of Understanding
Mn	Million
MNC	Multi National Company
N.A.	Not Applicable
NAV	Net Asset value
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NBFC	Non- Banking Finance Company
No.	Number
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under FEMA Regulations, OCBs are not allowed to invest in India.
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price / Earnings Ratio
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / Rupees / INR	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contract (Regulation) Rules, 1957, as amended from time to time

SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended.
Sec.	Section
Securities Act	The U.S. Securities Act as amended from time to time
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as amended
VAT	Value Added Tax

Notwithstanding the following:-

- (i) In the section titled 'Main Provisions of the Articles of Association' beginning on page 251 of the Prospectus, defined terms shall have the meaning given to such terms in that section.
- (ii) In the section titled 'Financial Information' beginning on page 143 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 73 of the Prospectus, defined terms shall have the same 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 which is included in this Prospectus is derived from the restated financial statements of the Company, prepared in accordance with Indian GAAP, the Companies Act, 1956 and the SEBI (ICDR) Regulations, 2009.

The fiscal year of the Company commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancy in any table between the total and the sum of the amounts listed is due to rounding-off.

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 the Prospectus would accordingly be limited.

Any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with Indian GAAP.

Currency of Presentation

In this Prospectus, reference to the words “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 the United State 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 lakhs’, the word “Lacs / Lakhs / Lac” means ‘one hundred thousand’ and ‘Crore’ means ‘ten millions’ and ‘billion / bn / Billions’ means ‘one hundred crores’

Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus have been obtained from industry publications including inter alia RBI and Ministry of Finance. Such publications generally state that content therein 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 the industry data used in this Prospectus is reliable, it has not been verified by any independent source.

Further, the extent to which the market data is presented in the 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

We have included statement in the Prospectus which contain words or phrases such as “will”, “may”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could significantly affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results to differ materially from our expectations include but are not limited to, the following:

- General economic and business conditions in the markets in which our company operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which our company operates;
- The performance of the Indian and the Global financial markets;
- Increased competition in the sectors/areas in which our company operates;
- Our ability to successfully implement our growth strategy and expansion plans, technological changes and to launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that our company may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Any adverse outcome in the legal proceedings in which our company is involved.
- Market fluctuations and industry dynamics beyond our control;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Contingent Liabilities, environmental problems and uninsured losses; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For further discussions of factors that could cause our actual results to differ, kindly refer to the Chapters titled “Risk Factors”, “Business Overview” and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 12, 89 and 193 of this Prospectus, respectively.

By their nature, certain 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 be materially different from those that have been estimated. Forward looking statements speak only of this Prospectus. Our Company, our Directors, the Lead Managers and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI requirements, our Company and the Lead Manager will ensure that the investors in India are informed of material developments until such time as grant of listing and trading approvals by the Stock Exchanges.

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. To obtain a complete understanding, you should read this section in conjunction with the sections “Business Overview” beginning on page 89, “Industry Overview” beginning on page 84 and “Management's Discussion and Analysis” beginning on page 193 as well as the other financial and statistical information contained in this Prospectus. 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, financial condition and results of operations. 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. 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 effect is not quantifiable and hence the same has not been disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the risks involved.

Materiality

The risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- a. Some events may not be material individually, but may be found material collectively.
- b. Some events may have material impact qualitatively instead of quantitatively.
- c. Some events may not be material at present but may have material impact in future.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any risks described in this section. Unless otherwise stated, the financial information used in this section is derived from the restated audited financial statements of our Company.

INTERNAL RISK FACTORS

- 1. *Our Promoter and Promoter Group Company is facing criminal charges in the court of law for the alleged violation of the Indian Penal Code, 1860.***

Mr. Pradeep Shikharchand Badkur, one of the promoters and M/s Surashtra Estates Private Limited, one of the group Company have been named as accused in the Criminal Application No. 150 of 2008 filed before Judicial Magistrate, First Class, III Nasik Road on complaint of one Mr. Ranuja Laxman Lokhande. In case the court comes out with an adverse finding in the matter, Mr. Pradeep Shikharchand Badkur might be punished under Indian Penal Code, 1860 and the same may affect the working of our Company and may cause reputational loss for the company. The Promoter have denied the charges and are in the process of taking appropriate legal action in the matter. For further details see section titled “Legal & Other Information” on page 201 of this Prospectus.

- 2. *Our Company has not yet converted the land use of one of the property (Gut No 49, village:- Vadavali, Tal:- Wada, Dist :- Thane).***

Our Company had purchased this property from one Shri Lodu Patil vide registered sale deed dated June 07, 2012. The property is stated to be agricultural land at the time of sale. However, the Company is currently using the said property which is abutting the land on which our manufacturing facilities are situated and the said land forms part of the land lying vacant bound by a common boundary wall with the land on which our factory is built. We might face legal action from appropriate revenue authorities,

which could result into disruption of our operations or we may have to pay penal charges or fine which could have a material adverse effect on our business and our financial condition.

3. *We have recently acquired a property for our new corporate office for which a part of the issue proceeds will be used towards preparing the interiors of the office. However we are yet to execute the relevant agreement/further conveyance in relation to the said property.*

Our Company has entered into an assignment agreement dated March 30, 2013 with one Quantam IT parks; vide which Our Company has been assigned certain rights in relation to Office No. 503, 5th Floor, Plot No. B-68, “Quantam IT Park”, Thane, MIDC Industrial Area, Thane. However we are yet to execute subsequent tripartite agreement with MIDC, which will bestow title, interest on for the said property. In case MIDC does not execute the said tripartite agreement or delays in the execution in the said tripartite agreement, the same would jeopardise our interest over such property.

4. *Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate law could impact the financial position of the Company to that extent.*

Our Company may have not complied with certain provisions of Companies Act, 1956 including the provisions of Section 209, 211, 159, 220 and 217 of Companies Act, 1956 in the past. No show cause notice in respect of the same has been received by the Company till date. Any penalty imposed for such non-compliance in the future by any regulatory authority could affect our financial conditions to that extent.

5. *Our Company and Group Companies have in the past not complied with statutory obligations as prescribed under various statutes in relation to the day to day working of the Company.*

There have been certain non compliances with relation to statutory obligations, including the Factories Act, 1948, Maharashtra Factories Rules, 1963, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972 and Bombay Shops and Establishments Act, 1948, Employees State Insurance Act, 1948 and the same may attract prosecutions and penalties under specified laws on our Company, Directors and Promoters. In event, if any, statutory authorities initiate any action against us, the same may have adverse implications on the working of our Company.

6. *We have experienced negative cash flows in previous years. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions.*

The details of Cash flows of the Company are as follows:

(Rs. in Lacs)

Particulars	As at November 30, 2013	For the year ended on				
		March 2013	March 2012	March 2011	March 2010	March 2009
Net cash (used in) / from Operating activities	182.34	402.57	(149.59)	74.57	(44.25)	15.32
Net cash (used in) / from Investing activities	(88.41)	(583.64)	(413.40)	(309.44)	(227.01)	(32.16)
Net cash (used in) / from Financing activities	(122.31)	227.94	534.82	238.59	252.61	54.00
Net increase / (decrease) in cash and cash equivalents	(28.39)	46.87	(28.17)	3.72	(18.65)	37.16

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 to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

7. *Our Company has pending statutory dues with the appropriate authorities*

As per the last audited financial report of the Company as on November 30, 2013, our Company had not deposited following statutory dues with the appropriate authorities:

Nature of Dues	Rs in Lacs
WCT Payable	0.48
TDS Payable	1.62
Professional Tax Payable	0.13
Excise Duty Payable	0.75
PF Payable	0.54
Service Tax Payable	6.72
MVAT Payable	8.05
Deferred Sales Tax Due	7.80
Sales Tax Payable	6.06
Total	32.15

8. *Any increase in or enforcement of our contingent liabilities may adversely affect our financial condition.*

Our Contingent liability towards counter guarantee given by the Banks as on November 30, 2013 was Rs. 27.45 lacs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be materially and adversely affected. For more information, regarding our contingent liabilities, please refer Annexure XIV of the chapter titled "Financial Statements" beginning on page 143 of this Prospectus.

9. *We have high working capital requirements and we may not be able to raise the required capital for future orders.*

Our business requires a large amount of working capital, used significantly to finance the purchase of raw materials and other expenses on projects undertaken by us before payments are received from customers. Our working capital requirements may increase if, under certain orders, payment terms do not include advance payments or such orders have payment schedules that shift payments toward the end of the order or otherwise increase our working capital burdens. We typically invoice our customers only upon dispatch of the orders. In addition, our working capital requirement has increased in recent years because we have undertaken a growing number of orders within a similar timeframe and due to the growth of the Company's business generally. All of these factors may result, or have resulted, in increases in our working capital needs.

We also provide bank guarantees in favour of customers to secure obligations under contracts. If we are unable to provide sufficient collateral to secure the bank guarantees, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain bank guarantees increases our working capital needs. We may not be able to continue obtaining new bank guarantees in sufficient quantities to match our business requirements.

Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our raising capital in this manner. Our attempts to complete future financings may not be successful or on favourable terms and failure to obtain financing on terms favourable to us could have a material adverse effect on our business and results of operations and cash flows.

10. *Our statutory auditors have qualified the restated financial information.*

Our statutory auditor have made a qualified statement in the restated financial statement stating that: The company has provided Gratuity liability of Rs. 7,56,059/- as at March 31, 2013 based on estimate received under LIC Group Gratuity (cash accumulation) scheme, and the said amount is debited to the profit and loss account for the year ended 31st March 2013, which includes the Gratuity Expense for earlier years in respect of past service of existing Employees as on 31st March 2013. The company has not made any adjustment in respect of qualification referred to in our report on the accounts as at and for the year ended March 31st 2009, 2010, 2011 and 2012, in respect of non-provision of Gratuity liability as per Accounting Standard - 15, which is presently not quantifiable in absence of any Actuarial Valuation done by an independent actuary or by the management.

11. *We may face risks arising from any increases in employee costs.*

In Fiscal 2013, our employee remuneration and benefits constituted 7.38% of our Company's total expenses. Additionally, in the event that the employee cost continues to increase disproportionately to our annual revenue increase, we may be unable to pass on the additional increase to our customers due to market conditions and pricing pressure from our competitors. This would result in us being required to absorb the additional increase in cost, which may have a material adverse effect on our profitability and cash flows.

12. *We are heavily dependent upon the growth prospects of the industries which consume our products. Any slowdown in the rate of growth of these industries would seriously impact our own growth prospects and may result in decline in profits.*

Our Company's business involves supply of valves to steel industry, oil & gas industry, fertilizers, etc which in turn may consume those products for their existing plants or any upcoming new projects/plants. The demand for their products will ultimately be from industries, which in turn depend on global and domestic economic conditions. Due to the lack of demand, the slowdown in these industries may have an adverse impact on our business.

13. *We sell our products in a highly competitive and fragmented industry. Our inability to compete effectively may lead to lower market share or reduced operating margins.*

The valve manufacturing industry is highly competitive and fragmented, both in India and Internationally. As a result, to remain competitive in the market, we must continuously strive to reduce our production and distribution costs and improve our operating efficiencies. If we fail to do so, our competitors may be able to sell their products at prices lower than ours, which may adversely affect on our market share, results of operations and cash flows.

Some of our competitors may be larger than us and may benefit from greater economies of scale and operating efficiencies. There is no assurance that we can continue to effectively compete with such manufacturers in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, results of operations and cash flows. Moreover, the competitive nature of the valve industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales, profitability and cash flows.

14. *Our indebtedness and the conditions and restrictions imposed on us by our financing agreements, or interest rate fluctuations to which we are exposed, could adversely affect our financial viability to conduct our business.*

As of November 30, 2013, our indebtedness was Rs. 1541.74 Lacs. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used toward repayment of our existing debt, which would reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and

Any failure to service our indebtedness, comply with any requirement to obtain a consent or perform any condition or covenant could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

15. *Our Company has entered into loan agreements with banks which contain restrictive covenant.*

As on November 30, 2013, our Company has outstanding secured loans of Rs. 793.53 Lacs from IndusInd Bank. As per our current financing arrangements with them, there are certain restrictive covenants which require us to obtain their prior consent in writing before undertaking certain corporate actions such as change in capital structure, expansion in the Company etc. For further details on the restrictive covenants, see section titled “Financial Indebtedness” beginning on page 184 of this Prospectus.

16. *Credit facility availed by us from Banks may be recalled or revoked at any time.*

Pursuant to certain loan facilities availed by us, the bank reserves the right to recall and /or revoke the facilities in full or in parts without notice or giving any reason. We cannot assure you that we will have adequate funds at all times to repay this credit facility and may also be subject to the payment of higher penal interest. Moreover, our ability to borrow and the terms of our borrowings depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment. We may not be successful in obtaining these additional funds in a timely manner, or on favourable terms or at all, which could adversely affect our results of operations. For further details, see “Financial Indebtedness” on page 184 of this Prospectus.

17. *Our Company has availed unsecured loans from financial institutions and others which are repayable on demand.*

We have availed unsecured loans aggregating to Rs. 21.75 Lacs as on November 30, 2013 from financial institutions and others. These Unsecured loans may be re-called at any time by these Parties. In the event that these loans are required to be re-paid on a short notice, our Company may have to arrange for additional funds which may impact our financials. For further details in relation to the unsecured loans, please refer the chapter “Financial Statements” beginning on page 143 of the Prospectus.

18. *Our Registered Office from which we operate is not owned by us.*

Our Company operates from rented premises taken from one of our Company's Promoter group Company i.e. Badkur Blow Plast Containers Private Limited. If the owners of the premises do not renew the leave and license agreement under which we occupy the premises or renew such agreements on terms and conditions that are unfavourable to our Company, we may suffer a disruption in our operations or have to pay increased rentals which could have a material adverse effect on our business, financial condition and results of operations.

19. *Our ability to access capital depends on our credit ratings.*

The cost and availability of capital, amongst other factors, is dependent, among other things, on our credit ratings. We are currently rated by NSIC CARE. Our rating is SE 2B reflecting high performance capability, moderate financial strength, and as an entity having moderate capacity to meet its financial obligations. Any downgrade of our credit rating would increase our borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements. The Rating is valid till February 06, 2014 and the same has not been reviewed by any other rating agency so far.

20. *We have not placed orders for the purchase of plant and machinery for which funds are being raised through the Issue.*

Our Company proposes to acquire plant and machinery aggregating Rs.332.00 Lacs for our proposed project which is approximately 44.70% of the Issue Proceeds. Our Company has not yet placed orders for plant and machinery propose to be acquired for our proposed project. Our Company is further subject to risks on account of inflation in the price of plant and machinery and fluctuation in foreign exchange rates.

Our Company has received quotations for these machineries, and negotiations with the vendors have commenced. The details of quotations received appear in paragraph titled 'Plant and Machinery' under the section titled 'Objects of the Issue' beginning on page 65 of the Prospectus. The purchase of plant and machinery would require us to consider factors including but not limited to pricing, delivery schedule and after-sales maintenance. There may also be a possibility of delay at the suppliers' end in providing timely delivery of these machineries, which in turn may delay the implementation of our project.

21. *Our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements. Any reduction or interruption in the business of a key customer, or a substantial decrease in orders placed by a key customer may have adverse impact on our revenues and operations.*

The valves manufactured by our Company are used in new plants being commissioned or are used as replacements of existing worn out valves as part of major overhauling plans of our clients. As such this does not entail frequent repeat orders. We do not have long term arrangements with any of our key customers for purchase of our products in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain the existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers do not continue to purchase products manufactured by us. The loss of, or interruption of work by, a significant customer or a number of significant customers may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our manufacturing facilities.

- 22. *Our order book may not necessarily indicate what our future sales will be and our actual sales may be significantly less than the estimated sales, which could adversely affect our result of operations and cash flows.***

Our Company defines its order book as unbilled orders wherein we have either commenced production or are yet to commence production. As of August 26, 2013 our order book was Rs 964.36 lacs. We receive a letter of intent or a purchase order from our customers, in accordance with which we plan various aspects of our operations including budgeting, manpower requirements and the raw materials that we are required to purchase. However, every letter of intent or purchase order from the customer may not result in actual sales due to, among other factors, cancellations, unanticipated variations in scope or schedule adjustments. There is no assurance that we will be able to make the required operational adjustments to our productions plans and the failure to make such adjustments may have a material adverse effect on our revenues, cash flows and operations. Further, we may be unable to claim compensation or damages for products manufactured in accordance with the letter of intent or purchase order, which have not been delivered.

We cannot guarantee that the income anticipated in our order book will be realized, or, if realized, will be realized on time or result in profits. For some of the contracts in the order book, our customers have the right to conduct an inspection, either by themselves or through a third party. If we fail the inspections conducted by our customers, orders could be delayed, modified or cancelled and as a result, our revenues, operations, cash flows and profitability could be adversely affected.

- 23. *We derive a significant portion of our revenues from a limited number of customers. The loss of, or a significant reduction in the revenues we receive from, one or more of these customers, may adversely affect our business.***

We derive a significant portion of our revenues from a limited number of large customers. In Fiscal 2011, 2012 and 2013 our top ten customers accounted for 82.67%, 70.22% and 80.09% respectively, of our revenues. While our top ten customers are not necessarily the same every year, these customers contribute a significant portion of our revenues. In Fiscal 2013, our largest customer accounted for 44.21% of our revenues. Since there is significant competition for the products we provide and we are typically not the exclusive supplier to our major customers, the level of revenues from our major customers could vary from period to period. The loss of, or a significant reduction in, the revenues we receive from, one or more of these customers may adversely affect our business.

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

We have secured our lenders by creating charge over our movable and immovable properties. In the event of one defaulting in repayment of the loans availed by us and any interest thereon, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding; please refer to Chapter titled "Financial Indebtedness" on page 184 of this Prospectus.

- 25. *Our revenues are dependent upon our meeting specific customer requirements largely on specific order basis. Any failure or limitation on our ability to manufacture customized Industrial valves may affect our growth.***

Our Company is mainly engaged in the business of manufacturing industrial valves on a specific order basis, customized to meet the specific requirement of each customer. Our inability to manufacture customized industrial valves could lead to erosion of our market image and brand value, which could lead to customers discontinuing their work with us and reduction of our customer base, which in turn could harm our business and profitability.

26. *Delays or defaults in customer payments could result in a reduction of our profits and cash flows.*

We often commit resources to orders prior to receiving advances or other payments from customers in amounts sufficient to cover expenditures on projects as they are incurred. We may be subject to working capital shortages due to delays in customer payments.

If the customer defaults in their payments on an order, or cancel their orders for which we have devoted significant resources or incurred expenditure, it could have a material adverse effect on our business, financial condition, results of operations and cash flows and could cause the price of our Equity shares to decline. Moreover, our products are made as per specifications provided by our customers. Hence, any last minute cancellations would also run the risk of not being able to sell those products to another customer. These events could have a material adverse effect on our revenues, results of operations and cash flows.

27. *Failure to obtain or maintain pre-qualifications from newer customers or loss of our pre-qualified status from our existing customers could adversely impact our business.*

Certain customers generally require valve manufacturers to undergo pre-qualification processes. These processes evaluate both the technical ability to provide relevant products with the exact specifications needed by the end-user, and the production capabilities of the supplier. These processes generally take time to complete and involve our incurring significant up-front expenses in learning and meeting customer qualification requirements. While we continuously strive to be on the approved lists of major valve purchasers, our failure to obtain pre-qualifications from newer customers or loss of our prequalified status from our existing customers could have an adverse impact on our profits, results of operations and cash flows.

28. *Business is dependent on performance of third-party transporters. Any failure on their part could affect our business operations.*

Timely delivery of our products is critical for our performance and we use third party transporters for supply of finished products to our customers/dealers. Any hindrance in the logistics network could cause an adverse effect on our receipt of supplies and our ability to deliver our finished products in time, which could adversely impact our time commitments.

29. *Major frauds, lapses of internal control or system failures could adversely impact Company's business.*

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

30. *Our Company does not have any long-term contracts with our dealers and suppliers which may adversely affect our business.*

Our Company neither has any long-term contract with any of dealers and suppliers nor any marketing tie up for our products with any of retail chain operators etc. Our inability to sell our existing products as well as products to be produced after our proposed expansion of capacity, may adversely affect our business and profitability in future.

31. *Fluctuations in the price, availability and quality of raw materials could delay and increase costs.*

We rely on third-party suppliers for steel and other raw materials such as castings and forgings and do not have long term arrangements with them. The prices and supply of the raw materials depend on factors not under our control, including general economic conditions, competition, production levels, and import duties. Adverse fluctuations in the price, availability and quality of the raw materials used by us in our manufactured products could have a material adverse effect on our cost of goods sold or our ability to meet our customers' demands. As on March 31, 2013, our raw materials contributed to 84.97% of our total expenses. The price and availability of such raw materials may fluctuate significantly, depending on many factors, including increase in transportation costs, inability of foundries to meet our demands within the requisite time, increase in prices of the metals used by us and increase in charges of the foundries/machining workshops. Any material shortage or interruption in the supply or decrease in the quality of these raw materials due to natural causes or other factors could result in increased costs of goods sold that we may not be able to pass on to our customers, which in turn would have a material adverse effect on our margins, results of operations and cash flows. Moreover, we fix the price of the products sold by us to our customers at the time they place the order with us. On average, an order takes about 14 to 32 weeks to be completed. In most cases, we do not have the right to revise the rates once we have accepted the customer's order. Thus, the risk of increase in the price of the raw materials from the date the order is placed until we procure the raw materials is borne entirely by us. This sales model may reduce our operating margins. A steady increase in the prices of our raw materials may have a material adverse effect on our operating results, financial condition and cash flows.

32. *Our operations are significantly concentrated in Thane District of Maharashtra and failure to expand our Operations may restrict our growth and adversely affect our business.*

At present, our manufacturing facilities are carried from Wada and office at Kanjurmarg. We do not have any other branches/ factories either in Mumbai or at any other place in India. As on date of this Prospectus, our operations are mainly focused in Mumbai and Thane. We believe that our future growth in business and revenues will be achieved only through a pan-India footprint.

33. *Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.*

Our funding requirement and deployment of the proceeds of the issue are based on management estimates, and are based on our current business plan. The funds required and its intended use has not been appraised by a bank or financial institution and is based on our estimates or by third party quotations. We may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates, changes in quotations, and external factors, such as fluctuation in exchange rate, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein is based on our management's current expectations and is subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

34. *Delay in raising funds from the IPO could adversely impact the implementation schedule.*

The proposed capital expenditure, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

35. *There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.*

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 50,000 Lacs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

36. *We rely on information technology systems and any failure in our systems could adversely impact our business.*

We rely extensively on our information technology systems for our product designing and to provide us connectivity across our business functions through our software, hardware and connectivity systems. Any delay in implementation or any disruptions in the functioning could disrupt our ability to design our products, track, record and analyze the merchandise that we sell and cause disruptions of operations, including, among others, an inability to process shipments of goods, process financial information, deliver products or engage in similar normal business activities.

37. *Our operations and our work force are exposed to various hazards.*

We endeavour to maintain adequate health and safety standards at our manufacturing facilities. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as storm, tempest, hurricane, lightning, flood, landslide, rockslide and earthquake, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in manufacturing, such as risk of equipment failure, work accidents, fire, or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage.

38. *The Company is promoted by first generation entrepreneurs.*

Our Promoters are first generation entrepreneur. Their experience in managing and being instrumental in the growth of our company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth.

39. *We are dependent on our Promoters, our senior management team, directors and key personnel of our Company for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.*

Our Promoters, our Directors, our senior management and our key managerial personnel collectively have many years of experience in the valve industry and are difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects.

For further details of our Directors and key managerial personnel, please refer to “Our Management” on page 115 of this Prospectus. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently.

Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

40. *Our Company has not followed Accounting Standard – 15 regarding Employee Benefits Prescribed by the Institute of Chartered Accountants of India (ICAI) till the Financial Year 2011-2012.*

The Accounting Policy followed by us with respect to the gratuity till the Financial Year 2011-12 was not in conformity with the Accounting Standard prescribed by the Institute of Chartered Accountants of India, regarding disclosure of Present Value of Obligations with respect to the retirement benefits to be paid to the employees. The Accounting Standard stipulates that these liabilities should be accounted in the Books on Accrual Basis.

The Company has provided Gratuity liability of Rs 7.56 lacs as at March 31, 2013 based on the estimate received under the LIC Group Gratuity (cash accumulation) scheme, and the said amount is debited to the profit and loss account for the year ended March 31, 2013, which includes the Gratuity Expense for earlier years in respect of past service of existing employees as on March 31, 2013.

41. *Our Company has not followed Accounting Standard -18 regarding Related Party Transactions prescribed by the Institute of Chartered Accountants of India (I.C.A.I) till the Financial Year 2010 -11.*

Accounting Standard- 18 regarding disclosure of Related Party Transaction has not been made by us for Accounting period prior to Financial Year 2011-12. Compliance to this Accounting Standard has been adhered to from the Financial Year 2011-12.

42. *We have in the past entered into related party transactions and may continue to do so in the future.*

We have, in the course of our business, entered into transactions with related parties including entities forming part of our Promoter Group and our key managerial personnel. While we believe that all such transactions have been conducted on an arms’ length basis, it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered into with unrelated parties. Such related party transactions may give rise to potential conflicts of interest with respect to dealings between us and the related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There cannot be assurance that such transactions, individually or in the aggregate, may have an adverse effect on our financial condition and results of operations. For details of related party transactions entered by us as per AS 18 entered into by us please refer to the section “Financial Information” beginning on page 143 of this Prospectus.’

43. *Our manufacturing activities are dependent upon availability of skilled and unskilled labour.*

Our manufacturing activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations.

44. *Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees could adversely affect our business and results of operations.*

Our Company is exposed to strikes and other industrial actions. As on November 30, 2013, our Company has 97 full-time employees including workers at our manufacturing units. We expect a substantial increase in number of employees in the future. At present, we enjoy good relationship with our employees. However, there can be no assurance that we may not experience disruptions in our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands that may adversely affect our business and results of operations.

45. *We require regulatory approvals in the ordinary course of business, and the failure to obtain them in a timely manner or at all may adversely affect our operations.*

We require regulatory approvals, sanctions, licenses, registrations and permissions for operating our business, most of which expire in due course from time to time. We have made applications for certain of these approvals and yet to receive the same. Please refer to section titled “Government Approvals” on page 208 for further details. We are further required to make various regulatory filings. If we fail to comply with these requirements, we may be subject to penalties and compounding proceedings.

We cannot assure you that we will obtain all regulatory approvals, sanctions, licenses, registrations and permissions or make all filings that we are required to obtain or make in the future, or receive renewals of existing or future approvals, sanctions licenses, registrations and permissions in the time frames required for our operations or at all. This can materially and adversely affect our business, results of operations and cash flows.

46. *Our insurance coverage may not adequately protect us against certain operating risks and this may have as adverse effect on the results of our business.*

We are insured for a number of the risks associated with our manufacturing business, such as insurance cover against loss or damage by fire, explosion, burglary, theft and robbery and voyage policy. We believe we have got our assets adequately insured; however there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. We may also be subject to claims resulting from defects in the engineering design and commissioning of our products. Our policy of covering these risks through insurance may not always be effective or adequate. Failure to effectively cover ourselves against the associated risks for any of these reasons including other unforeseen circumstances could expose us to substantial costs and potentially lead to material losses. Faults in designing and installation might also require repair work, which may not be foreseen or covered by our insurance. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

47. *We face intense competition in our business, which may limit our growth.*

Our Company faces significant competition from various companies engaged in the similar line of activities of that of our Company. For further details, please refer to the para ‘Competition’ under the chapter titled , ‘Business Overview’ on page no 89 of this Prospectus. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history;
- Greater brand recognition among consumers;
- Larger customer base in and outside India; or

- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

48. *Our Company has recently applied for registration of certain trademarks in its name. Until such registrations are granted, we may not be able to prevent unauthorized use of such trademarks by third parties which may lead to the dilution of our goodwill.*

We have filed applications for registration of trademarks under various classes under the Trade Marks Act, 1999, which are currently pending approval from the Registrar of Trademarks. The registration of any trademark is a time consuming process and there can be no assurance that any such registration will be granted. Our applications for the registration of these trademarks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection and legal remedies (in case of infringement) or prohibit unauthorized use of such trademarks by third parties by means of statutory protection, available as a proprietor of registered trademarks, which may materially and adversely affect our goodwill and business. We cannot provide any assurance that third parties will not infringe upon our trademark, trade names logos or brand names, and thereby cause damage to our business prospects, reputation or goodwill.

In addition to the aforementioned trademarks, our Company also uses certain unregistered trademarks for which no applications for registration have been filed by our Company. It may be difficult for our Company to protect its interests in such unregistered trademarks against infringement by third parties, which may dilute our goodwill and burden us with additional litigation costs. The artistic work in various logo used by our company have not been registered under the Copyright Act, 1957.

It may be difficult for our Company to protect its interests in such trademarks against infringement by other parties, which may dilute our goodwill and burden us with additional litigation costs.

49. *Our Trademark is not registered under clause 35 of Trade Mark Act*

The Company has not got its trademark 'CHEMTECH' registered for the retail trading. The trademark 'Chemtech (LABEL)' is already registered in the name of another person/entity under the class 35 which deals with the trading/retail business. However, the Company has recently applied for registration of its trademarks under class 35 and there can be no assurance that such registrations will be granted. If the company's Trademark 'Chemtech' is not granted in class 35 then maintaining the brand 'Chemtech' would be difficult.

50. *The potential liability for any failure to comply with environment laws or for any currently unknown environment problems could be significant.*

Under various applicable environmental laws and regulations, the owner or operator of real property may be liable for failing to maintain air and water pollution within prescribed levels, or for failing to comply with various environmental regulations while constructing and operating our manufacturing plants. We are not aware of any environmental liability that could have a material adverse effect on our business, assets, financial condition or results of operations, nor have we been notified by any governmental authority or any third party, and we are not otherwise aware, of any material noncompliance or other claim relating to hazardous or toxic substances in connection with any of our present or former manufacturing plants. We cannot, however, assure you that we will remain in compliance with all environmental laws and regulations, or that the requirements of such laws and regulations will not change.

51. Our Promoter Group Company has incurred losses in the past.

Some of our Promoter Group entities have incurred losses in the recent past and continuous and sustained losses by our Group Companies could affect their reputation and facilities that they enjoy and this could in turn affect the credit facilities that we enjoy with our bankers and our reputation with customers/suppliers. The incurring of losses by Group Companies may put strain on the cash flows of the Promoter which in turn may impact the equity funding for our Company. Any adverse impact on the funding capability of the Promoters of our Company may endanger the going concern assumption of the Company, if the adequate and timely equity funding is not arranged by the Promoters to fund our operations.

The details of profits/ (losses) after tax of these companies in the three financial years ended as on March 31, 2012, 2011 and 2010 are as provided below. There is no assurance that these or any of the other Group Companies will not incur losses in the future or that there will not be an adverse effect on our Company's reputation or business as a result of such losses.

Rs in Lacs				
Sr No.	Particulars	March 31, 2012	March 31, 2011	March 31, 2010
1.	Chemtech Infosolution Private Limited	(1.03)	N.A.	N.A.
2.	Chemtech Instrumentation Services Private Limited	0.79	(1.08)	(0.71)
3.	Shubharambh Properties Private Limited	(0.14)	0.07	(0.20)
4.	Gurucharan Properties Private Limited	(0.31)	0.09	Nil
5.	Panama Properties Private Limited	(17.44)	(54.36)	(4.85)
6.	Marvellous Marketing Private Limited	(0.11)	(0.04)	0.28

52. Our Promoters and Directors have granted certain security and personal guarantees in relation to debt facilities provided to us.

We rely on our Promoters and Directors in relation to some of our bank loans for which our Promoters and Directors have granted certain security and personal guarantees. In an event our Promoter/Directors withdraws or terminates his/their guarantee/s, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. For further details, see the section "Financial Indebtedness" on page 184 of this Prospectus. We cannot assure you that any future financing we obtain without guarantees from our Promoters or from unrelated third parties will be on terms which are equal to or more favourable than the terms of our past financings.

53. Collateral security provided by our Company, Promoter Group Member Promoter group Entity to our bankers towards financial arrangement availed by Our Company.

Our Company has availed financial arrangement from our Bankers for which collateral security in form of immovable properties owned by our Company, Promoter Group member, and Promoter Group entity has been provided. In case, these collateral securities are withdrawn at a future date due to any reason, our Bankers would require for new securities which would have to be arranged at that point of time. This may affect our business and financial operations. For further details see chapter on "Financial Indebtedness" beginning on page 184 of this Prospectus.

54. *Conflicts of interest may arise out of common business objects shared by our Company and certain of our Group Entities.*

Our Promoters have interests in other companies and entities that may compete with us, including other Group Entities that conduct businesses with operations that are similar to ours. Conflict of interests may arise in allocating or addressing business opportunities and strategies amongst our Company and our Group Entities in circumstances where our interests differ from theirs. In cases of conflict, our Promoters may favor other Companies in which our Promoters have an interest.

Further, the Memorandum of Association of certain of our Group Company – Chemtech Instrumentation Services Private Limited, entitles it to undertake and carry out businesses that are similar or related to our business. There can be no assurance that such Group Company will not provide comparable services, expand its presence or acquire interests in competing ventures in the locations in which we operate. Our Company has not adopted any measures for mitigating such conflict situations. As a result, a conflict of interest may occur between our business and the businesses of our Group Company which could have an adverse effect on our business, financial condition, results of operations and prospects.

55. *Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.*

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Our Promoters are interested in the certain transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Business Overview” and “Our Promoter”, beginning on page 89 and 129, respectively and the Annexure XXII titled “Related Party Transactions” under chapter titled “Financial statements’ beginning on page 143 of this Prospectus.

56. *Our Promoters and Promoter Group will continue to retain majority shareholding in our Company after the completion of Issue, which will allow them to exercise significant influence over us and potentially create conflicts of interest.*

Our Promoter and Promoter Group will hold 56.83 % of our post issue paid up capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

For further information, see “Capital Structure”, “Our Management” and “Our Promoters” on pages 51, 115 and 129

EXTERNAL RISK FACTORS

57. Unfavorable changes in legislation, including Companies Act and tax legislation, or policies applicable to us could adversely affect our result of operations.

The Companies Act, 2013 has been notified on August 30, 2013 and certain provisions of the Companies Act, 2013 have become operative from September 12, 2013 with immediate effect and the remaining provisions of the Companies Act, 2013 will come into effect upon further notification. This may significantly affect our operations. In addition, the Finance Minister has presented the Direct Tax Code Bill, 2010 (“DTC Bill”) on August 30, 2010, which is proposed to be effective from April 1, 2013. On the finalization of the DTC Bill and on obtaining the approval of the Indian Cabinet, the DTC Bill will be placed before the Indian Parliament for its approval and notification as an Act of Parliament. Accordingly, it is currently unclear what effect the Direct Tax Code would have on our financial statements. If the DTC Bill is passed in its entirety and we are affected, directly or indirectly, by any provision of the Direct Taxes Code, or its application or interpretation, including any enforcement proceedings initiated under it and any adverse publicity that may be generated due to scrutiny or prosecution under the Direct Taxes Code, it may have a material adverse effect on our business, financial condition and results of operations.

We are subject to various regulations and policies. For details see section titled “Key Industry Regulation and Policies” beginning on page 104 of the Prospectus. Our business could be materially affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that we will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which would have a material adverse effect on our business, financial condition and results of operations.

58. Instability of economic policies and the political situation in India could adversely affect our business.

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

59. A slowdown in economic growth in India or in the states of India, in which we operate, could cause our business to suffer.

The performance and growth of our business are dependent on the health of the overall Indian economy and the economy of the State in India in which we operate. Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the industry in which we operate. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

60. Significant differences exist between Indian GAAP and other accounting principles, such as IFRS, which may be material to investors' assessment of our financial condition and results of operations. Our failure to successfully convert to IND AS within the prescribed time framework could have an adverse effect on our stock price.

Our financial statements, including the financial statements provided in this Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems.

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

Certain events that are beyond control such as earthquakes, fire, floods and drought and similar natural calamities may cause interruption in the business of the Company that could adversely affect its result of operations.

62. Any downgrading of India's debt rating by an independent 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 rate and other commercial terms at which such additional financing may be available. This could have adverse effect on our business and future financial performance, its ability to obtain financing for capital expenditures and the price of our Equity Shares.

63. Any disruption in the supply of power, IT infrastructure, telecom lines and disruption in internet connectivity could disrupt our business process or subject us to additional costs.

Any disruption in basic infrastructure or the failure of the Government to improve the existing infrastructure facilities could negatively impact our business since we may not be able to provide timely or adequate services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, internet connectivity or telecom lines is disrupted. This may result in the loss of a client, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations and could lead to decline in the price of our Equity Shares.

64. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors.

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.

- 65. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

- 66. *Third party statistical and financial data in this Prospectus may be incomplete or unreliable.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

RISK RELATING TO EQUITY SHARES

- 67. *Future issuance or sale of Equity shares by the existing shareholders could significantly affect the trading price of the Equity Shares.***

The future issuances of Equity Shares by us or the disposal of Equity Shares by any of the major shareholders or the perception by the investors that such issuance or sales might occur could affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose off, pledge or otherwise encumber their Equity Shares.

- 68. *Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirement 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.

- 69. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Earlier to this Issue, there has been no public market for our Equity Shares. Choice Capital Advisors Private Limited is the Lead Manager whereas Choice Equity Broking Private limited is the Market Maker for the Issue. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other

companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the section titled “General Information – Details of the Market Making Arrangement for this Issue” on page no 48 of this Prospectus.

70. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in timely manner, or at all.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principle approval for listing of shares issued. We have only applied to BSE Limited to use its name as the Stock Exchange in this offer document for listing our shares on the SME Platform of BSE. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

Subsequent to the Issue, we will be subject to a daily “circuit breaker” imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges.

The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of imposing circuit limit, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

72. Investor(s) may be subject to Indian taxes arising out of capital gains on the sale of the 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 realised 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 realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised 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.

73. *Conditions in the Indian Securities market may affect the price or liquidity of the Equity Shares.*

Indian stock exchanges have, in the past, experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and increased margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

Prominent Notes to Risk Factors

- A. Investors may contact the Lead Manager for complaints, information, clarifications or complaints pertaining to the Issue.
- B. The net worth of the Company as per our restated financial statements prepared in accordance with Indian GAAP and restated in accordance with SEBI (ICDR) Regulations was Rs 404.39 Lacs as of March 31, 2013 and Rs. 793.81 Lacs as of November 30, 2013. For more information, see the chapter titled “Financial Statements” beginning on page 143 of this Prospectus.
- C. The book value per equity share of Rs 10/- each fully paid as per the restated financial statements of the Company prepared in accordance with Indian GAAP and restated in accordance with SEBI (ICDR) Regulations was Rs 10.50 as of March 31, 2013 and Rs. 12.18 as of November 30, 2013. For more information, see the chapter titled “Financial Statements” beginning on page 143 of this Prospectus.
- D. The average cost of acquisition per Equity Share by our Promoters, Mr. Pradeep Shikharchand Badkur, Mr. Harsh Pradeep Badkur and Mrs. Namrata Pradeep Badkur is Rs 8.12, Rs 7.79 and Rs 7.24 respectively. The average cost of acquisition of Equity shares held by our Promoters has been calculated by taking average of the amount paid by them (on FIFO basis) to acquire the Equity Shares issued by the Company, takes into consideration bonus shares, if any, issued to them.
- E. Except as disclosed in the Chapters “Objects of the Issue”, “Our Promoter Group and Group Entities” and “Our Management” beginning on page 65, 131 and 115 of this Prospectus, respectively, none of the Promoters, Directors or Key Managerial Personnel have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the Companies, firms and trusts in which they are interested as directors, member, partner or trustee and to the extent of the benefits arising out of such shareholding.
- F. For details of the related party transactions, including details of transactions between the Company with its subsidiaries and group companies and the cumulative value of such transactions, see “Related Party Transactions” in Section “Financial Information” on page 176 of this Prospectus.
- G. For information on changes in the Company’s name and changes in object clause of the Memorandum of Association of the Company, see the chapter titled “History and Certain Corporate Matters” beginning on page 112 of this Prospectus.
- H. Neither a member of the Promoter Group nor a Director nor any relative of any Director has financed the purchase by any other person of any securities of the Company during the six months immediately preceding the date of this Prospectus.
- I. Other than as stated in the chapter titled “Capital Structure” on page 51 of this Prospectus, the Company has not issued any Equity Shares for consideration other than cash.
- J. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on proportionate basis. For more information, please refer to the chapter titled “Issue Structure” beginning on page 228 of this Prospectus.
- K. Trading in Equity Shares for all investors shall be in dematerialised form only.
- L. Investors may contact the Lead Manager or the Compliance Officer for any complaint/clarification/information pertaining to the Issue. For Contact Details of the Lead Manager and the Compliance Officer, refer the front cover page.
- M. Clarification or further information, if any, relating to the Issue shall be made available by the Lead Manager and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the Lead Manager for any complaints pertaining to the Issue. Investors are free to contact the Lead Manager for any complaints pertaining to the Issue who will be obliged to redress the same for the Investor.

SECTION III- INTRODUCTION

This is only a summary and does not contain all the information that you should consider before investing in our Equity Shares. You should read the entire Prospectus, including the information contained in the sections titled 'Risk Factors' and 'Financial Statements' and related notes beginning on page 12 and 143 of this Prospectus before deciding to invest in our Equity Shares.

SUMMARY OF INDUSTRY

Indian Economy

The Indian economy is passing through a real difficult time caused by industrial slow-down, persistent food inflation at near two digit level, unsustainable Current Account Deficit (CAD), and rupee depreciation, among other factors. This economic slowdown is not unique to India but a global phenomenon. The International Monetary Fund has recently revised estimated global growth forecast for 2013 to 3.1% from 3.3% mainly due to weak performance by emerging markets, and has cautioned a further slow-down if the US eases its monetary stimulus.

India's industrial output contracted by 1.6% in May 2013 with both Basic and Capital Goods industries showing a negative growth. The prospects of monetary easing by RBI in the near future remain uncertain, due to WPI inflation edging up to three month high at 4.86% in June 2013 sudden depreciation of the rupee, and the rise in the CAD at over 6% of GDP.

The OECD's Composite Leading Indicators (CLIs) which predicts the direction of the economy's movements in the months to come, estimates India's growth prospects to remain below trend. India's CLI measured at 97.7 in January 2013 came down to 97.3 in February, March and April and increased marginally to 97.6 in May 2013. OECD observes that India's growth momentum can be regained by following measures that can lead to speedy approval of projects, reduced regulatory burden on companies, and further deregulation of the economy that promote competition.

Keeping in mind the current economic scenario, the Government has started taking steps to deal with supply side constraints. In order to boost infrastructure investment, a Steering Committee of Secretaries under the Chairmanship of Prime Minister's Principal Secretary has set an investment target of Rs 1 lac crore to be incurred in next six months. A fresh round of reforms has been announced by the government to encourage capital inflow and boost business sentiments. FDI caps have been raised for various sectors, with the FDI ceiling raised from 26% to 49% for most sectors, and allowing foreign investment through automatic route. It is expected that Indian Corporate to respond to these policy initiatives in right earnest and contribute towards a faster economic recovery.

Source: Volume 26, June 2013, Monthly Newsletter, Ministry of Corporate Affairs.

Industry Overview

Valves are used to control or divert the flow of liquids, gases, slurries, dry material or steam in all types of industries. They are also used to control or isolate the rate of flow volume, pressure, direction or a combination of these parameters. There are only two known ways of controlling the flow of liquids and gases, and all valves are based on one of the two principles. Consider an overhead tank with water flowing out from an outlet pipe near the bottom.

One way to stop/control the flow is to put a block against the flowing medium and the second way is to squeeze the outlet pipe shut if the pipe is flexible. Modern Industrial valves have come a long way from the simple cock used to control the flow of water in older times and are now available in sophisticated configurations and can even be operated by remote signals from satellites. Modern process plants use valves to control various parameters including flow, volume, pressure and temperature and can also be used for mixing different flow media.

Valves have many uses, including controlling water for Irrigation, industrial uses for controlling processes, residential uses such as on / off and pressure control to dish and clothes washers and taps in the home. Even aerosols have a tiny valve built in. Valves are also used in the military & transport sectors. Valves are found in virtually every industrial process, including water and sewage processing, mining, power generation, processing of oil, gas and petroleum, food manufacturing, chemical and plastic manufacturing and many other fields.

Global Scenario

The global industrial valves market is set to rise in the ensuing years, as the industry begins to emerge out of the adverse impact of the global economic recession. It is estimated at around US\$ 71 billion and is expected to grow by 5.4% per year and will reach to \$ 93 billion through the year 2015. All core sectors require valves for expansion of capacities, maintenance and repair of plants. The demand for valves is growing at a fast pace globally. In addition, the industry in the developed countries is in a consolidation phase with large companies purchasing family owned businesses and at the same time establishing manufacturing plants in the low cost countries like China and Korea.

The valve industry being an intermediate industry is completely dependent on the growth of the core sectors of the global economy. Therefore, with an expected growth in the oil and gas, power, pipeline, steel, infrastructure, petrochemicals and pharmaceutical industries, the demand for valves are also expected to gather steam. Valve companies are finding many new opportunities for their products. Applications with double-digit growth include ethanol, LNG, desalination, and biotechnology. Alternative fuel sources including oil sands, oil shale and coal liquefaction also represent promising markets

(Source: http://www.prweb.com/releases/industrial_valves/globe_ball_control_valves/prweb4708564.htm)

Indian Scenario

Indian valve industry has come a long way from making simple valves to producing a wide range of sophisticated precision valves. But the Indian valve space is as fragmented as the Global Valve Industry. Most of the industry is dominated by small and medium scale players with heavy dependence on sub contractors and a large part of the market consists of the unorganized sector.

India's valves industry, estimated at Rs 10,000 crore, is expected to grow at 7-8 per cent per annum after a flat growth this year and exports too will expand at a healthy rate, experts said. Currently, 85 per cent of the valves demand in India is met indigenously, while the balance is imported and the exports are anticipated to rise from 10-12% per annum.

(SOURCE: http://www.engrreview.com/Editorial_pages/2012/05_May_12/ER1205_Market-Monitor_07.html and <http://www.thehindubusinessline.com/industry-and-economy/valves-industry-expected-to-grow-at-78-per-cent/article4188566.ece> and <http://www.epcworld.in/epcnews/indian-valve-industry-to-shoot-up-by-7-8-export-to-rise-by-10-12.aspx>)

For further details on our Business, please see "Industry Overview" on page 84 of this Prospectus.

SUMMARY OF BUSINESS

Our Company, an ISO 9001-2008 certified company, is engaged in the business of manufacturing carbon steel and stainless steel industrial valves of various types & sizes ranging from 15mm up to 4000mm. We manufacture and supply various types of ball, butterfly, globe, gate and check valves and have a significant customer base in the steel industry. We also supply our products to customers in the oil and gas (including petro-chemical) industry, infrastructure (including pipelines), process industries (including pharmaceuticals, chemicals, intermediaries and fertilizers), nuclear space and defence industry.

Our Company is a manufacturer of high quality valves. We have international standard facilities at Wada, to suit most of the piping related requirements. Most of our valves are tailor made to meet our customers' specific requirements. We work in close tandem with our clients to match our valves to their most complex applications. Our valves have proved suitable, right from providing 3 millisecond cycling time, to the most secure Safety Valves for the utmost critical requirements. Many of our design innovations have been the direct result of working closely with our customers' to solve difficult applications at their end.

Our Company was founded in the year 1997 by Mr. Pradeep Badkur and Mr. Ignatious Inasu, who collectively have over 40 years of experience in the valve industry. We commenced our manufacturing operations in 1997 at Nirmal Ashish Industrial Estate, Asangaon. Starting with two galas, in the year 2007 our facilities were spread over five galas with an outshed. To consolidate our operations, we moved operations to our state-of-the-art manufacturing unit located at Wada, Maharashtra, which was acquired by us in the year 2012.

Our manufacturing facility is spread over an area of approximately 12000 sq mts and is equipped with standard machines suitable for carrying out our manufacturing operations smoothly and efficiently. Our products are supplied under the brand "CHEMTECH" to our customers in India and abroad. Our company took up the business of trading in steel wire rods in the year 2012-13.

We have received industry and client recognition by way of specific accreditations and certifications which bear a testimonial to our capability to deliver and supply our products to a wide range of customers. We have obtained ISO -9001:2008 certification for quality management system issued by SWISS CERT Pvt. Ltd. SWISS CERT is accredited by National Accreditation Board for Certification Bodies (NABCB) for 9000 Certification & by (Dubai Accreditation Centre) DAC for ISO 9000 & 14001 certifications. Our Company has been granted the status of an "Approved Manufacturer", "Approved Supplier", or "Approved Vendor" by several leading steel companies, oil & gas companies, fertilizer companies and engineering consultants. Further, several of our product lines and products have been tested and approved by leading companies for supply to them.

It is important for us to retain direct contact with the contractors and end users and we have evolved a suitable system of sales and distribution system for the same. This has enabled us to achieve sales growth with geographical/ contractual constraints. Our designing capability to innovate enables us to meet the changing customer needs. We believe that our growth has been due to our ability to understand customer needs and build a product of optimal design. As is reflected in our restated revenue which has grown from Rs 1677.02 lacs in Fiscal 2012 to Rs 2273.77 lacs in Fiscal 2013, which is an increase of 35.58% and our restated profit after tax has increased from Rs 71.90 lacs in Fiscal 2012 to Rs 87.43 lacs in Fiscal 2013, this is an increase of 21.60%. For the 8 months period ended as on November 30, 2013, our Company's restated revenue and restated profit after tax were Rs. 2574.64 Lacs and 7.13 Lacs respectively.

Our Competitive Strengths

- Fully Integrated Manufacturing Facility
- Experienced Management Team
- Continuous focus on developing novel and innovative products
- Strong Customer Base
- Technical Expertise and Vast Industry Experience
- Quality Assurance and Standard

For further details on our Business, please see "Business Overview" on page 89 of this Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, 2009 and restated as described in the Auditor's Report in the chapter titled "Financial Information". You should read this financial data in conjunction with our financial statements for the years ended 2009, 2010, 2011, 2012, 2013 and for the period ended as on November 30, 2013 including the notes thereto and the reports thereon, which appears under the chapter titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on pages 143 and 193 of the Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in Indian Rupee)

Particulars		As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
I.	EQUITY AND LIABILITIES						
1	Shareholders' funds						
	(a) Share capital	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000
	(b) Reserves and surplus	1,41,87,545	3,49,38,846	2,61,95,483	1,89,57,040	1,08,91,443	60,27,739
		7,93,80,875	4,04,38,846	3,16,95,483	2,44,57,040	1,58,91,443	1,10,27,739
2	Non-current liabilities						
	(a) Long-term borrowings	10,53,13,095	9,54,28,239	8,91,62,051	2,43,72,110	1,51,98,173	10,68,701
	(b) Noncurrent Liabilities (Deferred Sales Tax)	29,47,911	29,47,911	32,44,827	34,78,477	36,71,177	37,28,000
	(c) Deferred tax liabilities	38,00,925	27,29,723	15,65,234	11,89,743	9,52,198	-
	(d) Long Term Provisions (Gratuity Payable)	9,07,271	7,56,059	-	-	-	-
		11,29,69,201	10,18,61,931	9,39,72,111	2,90,40,330	1,98,21,548	47,96,701
3	Current liabilities						
	(a) Short-term borrowings	3,61,43,305	8,07,33,241	4,68,06,621	4,91,46,708	3,67,37,238	2,13,64,229
	(b) Trade payables	3,92,41,999	2,64,73,061	3,93,93,954	2,12,47,382	2,94,64,495	2,38,94,802
	(c) Other current liabilities	2,04,84,436	2,30,15,105	1,51,43,036	1,03,97,472	55,51,302	79,78,615
	(d) Short-term provisions	5,25,000	24,87,572	24,75,000	7,85,000	13,00,000	1,82,730
		9,63,94,740	13,27,08,978	10,38,18,610	8,15,76,563	7,30,53,035	5,34,20,376
	TOTAL	28,87,44,816	27,50,09,756	22,94,86,204	13,50,73,933	10,87,66,026	6,92,44,816

II. ASSETS							
1	Non-current assets						
(a)	Fixed assets						
	(i) Tangible assets Net block	15,38,13,426	15,74,28,498	3,23,61,509	2,89,05,543	3,49,09,673	1,45,27,024
	Less: Revaluation reserve Adjusted	(33,64,770)	(34,47,018)	(35,70,390)	-	-	(1,60,345)
	(ii) Capital work-in- progress	74,63,944	2,91,000	7,20,51,028	3,26,93,511	-	-
(b)	Non-current investments	5,37,752	5,37,752	5,37,752	5,37,752	2,87,752	2,87,752
(c)	Deferred tax Assets	-	-	-	-	-	38,486
(d)	Long Term Loans & Advances	3,04,710	3,03,710	59,110	31,600	31,600	56,830
(e)	Other Non-current Assets	48,43,683	21,51,670	31,36,560	28,78,871	88,19,989	11,47,850
		16,35,98,745	15,72,65,612	10,45,75,569	6,50,47,277	4,40,49,014	1,58,97,597
2	Current assets						
(a)	Inventories	4,78,49,351	6,79,56,966	4,77,89,579	3,50,74,843	3,29,39,476	2,24,91,701
(b)	Trade receivables	6,58,99,540	3,69,00,254	6,98,24,765	2,52,87,284	2,59,87,484	2,32,96,547
(c)	Cash and cash equivalents	42,64,075	71,03,357	24,16,507	52,33,407	48,61,577	67,26,148
(d)	Short-term loans & advances	33,62,114	19,89,323	10,98,328	5,10,235	1,65,330	5,58,127
(e)	Other current assets	37,70,991	37,94,243	37,81,455	39,20,887	7,63,145	2,74,696
		12,51,46,071	11,77,44,144	12,49,10,635	7,00,26,656	6,47,17,012	5,33,47,219
	TOTAL	28,87,44,816	27,50,09,756	22,94,86,204	13,50,73,933	10,87,66,026	6,92,44,816

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in Indian Rupee)

Sr. No.	Particulars	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
I	Income						
	<u>Revenue from operations :</u>						
	Sale of Manufactured Goods	8,15,91,053	11,16,81,652	14,62,66,351	8,97,14,458	8,80,77,980	5,36,23,193
	Sale of Traded Goods	15,92,33,556	10,06,20,730	-	-	-	-
	Sale of Services	-	-	3,58,340	-	-	-
	Total Sales Excluding Taxes	24,08,24,609	21,23,02,381	14,66,24,691	8,97,14,458	8,80,77,980	5,36,23,193
	Add: Duties & Taxes	1,11,63,308	1,45,54,420	1,99,16,464	1,16,19,530	1,01,55,363	86,26,506
	Total Sales	25,19,87,917	22,68,56,801	16,65,41,155	10,13,33,988	9,82,33,342	6,22,49,699
	Other income	54,76,184	5,19,976	11,61,063	6,31,987	5,14,280	4,22,242
	Total Revenue	25,74,64,101	22,73,76,777	16,77,02,218	10,19,65,975	9,87,47,622	6,26,71,941
II	Expenses						
	Cost of materials consumed	2,01,04,643	8,42,91,536	10,96,38,053	5,50,18,017	6,49,28,069	4,62,75,422
	Change in inventories of FG & WIP	2,55,77,353	(3,18,98,412)	(85,52,055)	63,08,734	(1,02,43,615)	(69,46,608)
	Purchases of traded goods	15,59,26,799	9,82,21,684	-	-	-	-
	Employee benefits expense	1,23,20,373	1,58,55,247	1,12,58,657	72,33,517	75,17,007	58,86,075
	Finance costs	1,57,55,607	1,73,98,609	89,67,417	77,24,746	42,41,451	27,62,461
	Depreciation and amortization expense	50,62,712	51,85,677	24,62,324	31,68,714	17,53,306	11,67,319
	Other expenses	2,04,07,608	2,57,74,771	3,32,82,408	2,35,86,691	2,33,70,546	1,30,26,363
	Total expenses	25,51,55,096	21,48,29,113	15,70,56,804	10,30,40,418	9,15,66,764	6,21,71,032
III	Profit before exceptional and extraordinary items and tax (I-II)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
IV	Exceptional items	-	-	-	-	-	-
V	Profit before extraordinary items and tax (III - IV)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
VI	Extraordinary Items	-	-	-	-	-	-
VII	Profit before tax (V-VI)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909

VIII	Tax expense:						
	(1) Current tax	5,25,000	26,39,811	30,79,895	74,828	13,26,885	1,99,041
	(2) Deferred tax Liability/(Assets)	10,71,201	11,64,489	3,75,491	2,37,545	9,90,684	9,348
	Total Tax Expense	15,96,201	38,04,300	34,55,386	3,12,373	23,17,569	2,08,389
IX	Profit (Loss) for the period (VII - VIII)	7,12,803	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521

STATEMENT OF CASH FLOW FROM RESTATED FINANCIAL STATEMENTS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
A. Cash flow from operating activities						
Net Profit / (Loss) before extraordinary items and tax	23,09,005	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
Adjustments for:						
Depreciation and amortisation	50,62,712	51,85,677	24,62,324	31,68,714	17,53,306	11,67,319
Loss on sale of Fixed assets	2,96,133	1,45,730	-	13,49,951	6,39,891	92,076
Preliminary Expenses	-	-	48,414	12,414	414	414
Provision for Gratuity	1,51,212	7,56,059	-	-	-	-
Finance costs	1,57,55,607	1,73,98,609	89,67,417	77,24,746	42,41,451	27,62,461
Sundry Balance Written back	(14,858)	(4,47,741)	-	(45,000)	-	(680)
Bad Debts	1,048	2,29,711	13,00,161	-	-	-
Interest Received	(1,57,567)	(3,97,709)	(3,09,942)	(4,79,709)	(2,20,572)	(2,09,404)
Dividend income	(38)	(38)	(55,497)	(34,538)	(15,038)	(15,079)
Operating Profit before Working capital changes	2,34,03,254	3,54,17,962	2,30,58,292	1,06,22,135	1,35,80,310	42,98,016
Adjusted for:						
Inventories	2,01,07,615	(2,01,67,387)	(1,27,14,736)	(21,35,367)	(1,04,47,775)	(80,70,820)
Trade receivables	(2,90,00,334)	3,26,94,800	(4,58,37,643)	7,00,200	(26,90,937)	(1,32,13,071)
Long Term Loans & Advances	(1,000)	(2,44,600)	(27,510)	-	25,230	-
Other Non-current Assets	(26,92,013)	19,02,890	(2,57,689)	59,41,118	(76,72,139)	(35,508)
Short-term loans and advances	(13,72,791)	(18,08,995)	(5,88,093)	(3,44,905)	3,92,797	(4,15,298)
Other current assets	23,252	(1,19,705)	(4,78,441)	(29,63,788)	(68,009)	2,372
Other Non-current Liabilities	-	(2,96,916)	(2,33,650)	(1,92,700)	(56,823)	-
Trade payables	1,27,83,796	(1,29,20,893)	1,81,46,572	(82,17,113)	55,69,693	1,40,70,419
Other current liabilities	(25,30,669)	83,19,810	47,45,563	48,91,170	(24,27,313)	49,11,974
Cash Generated from Operations	2,07,21,111	4,27,76,967	(1,41,87,336)	83,00,750	(37,94,967)	15,48,084
Taxes paid	24,87,572	25,20,322	7,72,022	8,43,779	6,30,055	16,311
Net Cash Generated from Operations	1,82,33,539	4,02,56,645	(1,49,59,358)	74,56,971	(44,25,022)	15,31,773

B. Cash flow from investing activities						
Purchase of Fixed assets	(20,85,920)	(5,85,48,740)	(23,47,900)	(1,08,80,057)	(2,31,95,604)	(35,40,008)
Service Tax Liability reimbursed by FA suppliers	1,94,900	-	-	-	-	-
Sale of Fixed assets	65,000	78,000	-	1,23,65,520	2,59,414	1,00,000
Addition in Capital work-in-progress	(71,72,944)	(2,91,000)	(3,93,57,517)	(3,26,93,511)	-	-
Purchase of Investments	-	-	-	(2,50,000)	-	-
Interest Received	1,57,567	3,97,709	3,09,942	4,79,709	2,20,572	2,09,404
Dividend received	38	38	55,497	34,538	15,038	15,079
Net cash used in investing activities:	(88,41,359)	(5,83,63,993)	(4,13,39,978)	(3,09,43,801)	(2,27,00,580)	(32,15,525)
C. Cash flow from financing activities						
Shares Issue during the year	2,66,93,330	-	-	5,00,000	-	-
Security Premium on shares issue	1,33,46,670	-	-	95,00,000	-	-
Share issue expenses	(18,10,775)	-	-	-	-	-
Proceeds from long-term borrowings	98,84,856	62,66,188	6,47,89,941	91,73,936	1,41,29,472	(15,57,734)
Proceeds from other short-term borrowings	(4,45,89,936)	3,39,26,620	(23,40,087)	1,24,09,470	1,53,73,009	97,20,202
Finance cost	(1,57,55,607)	(1,73,98,609)	(89,67,417)	(77,24,746)	(42,41,451)	(27,62,461)
Net cash used in financing activities	(1,22,31,462)	2,27,94,198	5,34,82,436	2,38,58,660	2,52,61,031	54,00,007
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(28,39,282)	46,86,850	(28,16,899)	3,71,830	(18,64,571)	37,16,255
Cash and cash equivalents at the beginning of the year	71,03,357	24,16,507	52,33,407	48,61,577	67,26,148	30,09,893
Cash and cash equivalents at the end of the year	42,64,075	71,03,357	24,16,508	52,33,407	48,61,577	67,26,148

Note: The above Cash Flow Statements have been prepared under the "Indirect Method" as set out in Accounting Standard (AS) – 3 on Cash Flow Statements as notified by the Companies (Accounting Standards) Rules, 2006.

THE ISSUE

Equity Shares Offered: Present Issue of Equity Shares by our Company	49,52,000 Equity Shares of Rs 10/- each fully paid of the Company for cash at a price of Rs. 15/- per Equity Share aggregating Rs. 742.80 Lacs
Consisting of	
Issue Reserved for Market Maker	2,80,000 Equity Shares of Rs 10/- each fully paid for cash at a price of Rs. 15/- per Equity Share aggregating Rs. 42.00 Lacs
Net Issue to Public	46,72,000 Equity Shares of Rs 10/- each fully paid for cash at a price of Rs. 15/- per Equity Share aggregating Rs. 700.80 Lacs
	Of which
	23,36,000 Equity Shares of Rs 10/- each fully paid for cash at a price of Rs. 15/- per Equity Share will be available for allocation to Investors of up to Rs. 2.00 Lacs
	23,36,000 Equity Shares of Rs 10/- each fully paid for cash at a price of Rs. 15/- per Equity Share will be available for allocation for Investors of above Rs. 2.00 Lacs
Equity Shares outstanding prior to the Issue	65,19,333 Equity Shares
Equity Shares outstanding after the Issue	1,14,71,333 Equity Shares
Objects of the Issue	Please refer to the section titled “Objects of the Issue” beginning on page 65 of this Prospectus

This issue is being made in terms of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the Fixed Price Process hence, as per sub regulation 43(4) of SEBI (ICDR) Regulations, 2009 at least 50% of the Net Issue to the Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. The unsubscribed portion in any of the categories may be allocated to applicants in the other category.

For further details please refer to “Issue Structure” on page 228 of this Prospectus

GENERAL INFORMATION

Our Company was incorporated as Chemtech Industrial Valves Private Limited under the provisions of the Companies Act, 1956 on January 15, 1997 in Mumbai, Maharashtra. Our Company got converted from private limited company to a public limited company vide fresh Certificate of Incorporation dated April 22, 2013. For further details see section titled “History and Certain Corporate Matters” beginning on page 112 on this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Chemtech Industrial Valves Limited

105, Hiranandani Industrial Estate,

Opp. Kanjurmarg Railway Station,

Mumbai – 400 078

Maharashtra, India

Tel: 91-22-2577 3308

Fax: 91-22-2579 4128

Website: www.chemtechvalves.com

Email ID: investors@chemtechvalves.com

Registration Number: 105108

Corporate Identification Number: U29299MH1997PLC105108

For details relating to changes to our Registered Office, see Para titled ‘Changes in Registered Office’ on page 113 of section titled ‘History and Certain Corporate Matters’ of the Prospectus.

REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai, Maharashtra

Everest Building,

100, Marine Drive,

Mumbai – 400 002

Maharashtra, India

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE:

SME PLATFORM OF BSE LIMITED

P. J. Towers, Dalal Street

Mumbai, Maharashtra, 400 001

For details in relation to the changes in the name of our Company, please refer to the chapter titled, “Our History and Certain Other Corporate Matters” beginning on page 112 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Our Board comprises the following:

Sr. No	Name	Age	DIN	Address	Designation
1	Pradeep Shikharchand Badkur	54	00036822	C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra , India	Chairman and Executive Director
2	Harsh Pradeep Badkur	25	00676715	C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra , India	Managing Director
3	Ignatious David Chittatukarakaran Inasu	55	01750827	A/606, Daivat Kalpanagari, Vaishali Nagar, Mulund West, Mumbai – 400080, Maharashtra , India	Whole- Time Director
4	Namrata Pradeep Badkur	47	00119771	C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra , India	Executive Director
5	Amit Kumar Jain	32	06614248	20, Chandra Kutir, Khiriya Ward, Bina Sagar, Madhya Pradesh - 470113, India	Independent Director
6	Niranjay Amritlal Choudhary	43	01891472	2-A/203, 2 nd Floor, Powai Vihar Bldg No 2, Co op Hsg Society Limited, Powai Vihar Complex, Powai , Mumbai – 400 076, Maharashtra, India	Independent Director
7	Rajnikant Hemchandra Panday	73	06611029	194, Shanti Niketan, Jawahar Nagar, Goregoan (West), Mumbai – 400 062, Maharashtra, India	Independent Director
8	Amitabh Rameshchand Luhadia	40	00034516	2-C, Miniland, Tank Road, Bhandup (West), Mumbai, 400078, Maharashtra, India	Independent Director

For further details of our Directors, see section titled “Our Management” on page 115 of the Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Mohammed Abdullah Slatewala is the Company Secretary and Compliance Officer of our Company and his contact details are as follows:

105, Hiranandani Industrial Estate,
Opp. Kanjurmarg Railway Station,
Mumbai – 400 078
Maharashtra, India
Tel: 91-22-2577 3308
Fax: 91-22-2579 4128
Email ID: cs.chemtech@gmail.com

Investor may contact the Compliance Officer and/or Registrar to the Issue and/or Lead Manager to the Issue in case of any Pre-Issue or Post-Issue related matters such as non-receipt of letter of Allotment, credit of allotted Equity Shares in the respective beneficiary account, refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with copy to the concerned SCSBs to whom the Application Form was submitted, giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA

account number and the Designated Branch of the relevant SCSBs where the ASBA Form was submitted by the ASBA Applicant.

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

LEAD MANAGER TO THE ISSUE

Choice Capital Advisors Private Limited

Shree Shakambhari Corporate Park,
156-158, Chakravarti Ashok Society,
J.B. Nagar, Andheri (E), Mumbai – 400 099
Tel: 022 – 6707 9999
Fax: 022 – 6707 9959
Contact Person: Mrs. Sujata Chattopadhyay
Email ID: sujata@choiceindia.com
Website: www.choiceindia.com
SEBI Registration No: INM000011872

LEGAL ADVISORS TO THE ISSUE

Mindspright Legal

7/10, Botawala Building,
Office No.9, 3rd Floor,
Horniman Circle, Fort,
Mumbai – 400 023
Tel: +91-22-4002 0665
Fax: +91-22-4002 0664
Email ID: legal@mindspright.co.in
Website: www.mindspright.com
Contact Person: Mr. Amit Dey

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E-2&3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai – 400 072
Tel: +91-22-4043 0200
Fax: +91-22-2847 5207
Web: www.bigshareonline.com
Email: ipo@bigshareonline.com
Contact Person: Mr. Ashok Shetty
SEBI Registration No: INR000001385

STATUTORY AUDITORS TO THE COMPANY

M/s. S. P. Jain & Associates, Chartered Accountants

602, 6th Floor, Orbit Plaza,
New Prabhadevi Road,
Prabhadevi, Mumbai - 400025
Tel: +91-22-2431 6201/02
Fax: +91-22-2421 8130
Email ID: spjainassociates@gmail.com
Firm Registration No: 103969W
Contact Person: Mr. Kapil K. Jain

S.P. Jain and Associates holds a peer reviewed certificate dated June 11, 2010 issued by the Institute of Chartered Accountants of India. The peer review process for the next three financial years has been initiated and is in process.

BANKERS TO THE COMPANY

INDUSIND BANK LTD

Shop No. 4 & 5, A Wing,
“Gundecha Heights”,
L.B.S. Marg, Kanjurmarg (W),
Mumbai - 400 078
Tel: 022 5758 4165
Fax: 022 6758 4155
Email Id: sarika.mhatre@indusind.com
Website: www.indusind.com
Contact Person: Ms. Sarika Mhatre

THE BHARAT CO-OP. BANK (MUMBAI) LIMITED

Gautam Udyog Bhavan,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078
Tel: 022 6153 4903
Fax: 022 6153 4900
Email Id: bhandup@bharatbank.co.in
Website: www.bharatbank.com
Contact Person: Ms. Sandhya S. Kotian

BANKERS TO THE ISSUE / ESCROW COLLECTION BANK & REFUND BANKER

HDFC Bank Limited

FIG – OPS Department, Lodha I,
Think Techno Campus, O-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400042
Tel No: 022 – 3075 2928
Fax No: 0 22 – 2579 9801
Email Id: uday.dixit@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Uday Dixit
SEBI Registration No: INBI00000063

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE

Since Choice Capital Advisors Private Limited is the sole Lead Manager to this Issue, all the responsibilities of a merchant banker in this Issue will be managed by them.

SELF CERTIFIED SYNDICATED BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA Process is provided on <http://www.sebi.gov.in>. For details of designated branches of SCSBs collecting ASBA Application Form, please refer the above-mentioned SEBI website.

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.

MONITORING AGENCY

As per Regulation 16(1) of SEBI (ICDR) Regulations the requirement of Monitoring Agency is not mandatory if the issue size is below Rs 50,000 lacs. Since this Issue Size is only of Rs 742.80 lacs, our Company has not appointed any monitoring agency for this Issue. However, as per Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, inter-alia, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except for the "Statement of Possible Tax Benefits" report dated December 24, 2013 from the Statutory Auditor of our Company 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.

APPRAISING ENTITY

The present issue is not being appraised by any appraising agency.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with this Issue any time after the Issue Opening Date but before the Issue Closing Date, without assigning the reasons thereof. However, if the Company withdraws the Issue after the Issue Closing Date, it shall give the reason thereof within two days of the Issue Closing Date by way of public notice which shall be published in the same newspapers where the pre-Issue advertisement was published. Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day from the day of receipt of such notification.

In the event of withdrawal of the Issue any time after the Issue Closing Date, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight days after our Company become liable to repay it, i.e. from the date of withdrawal, then our Company, and every Director of the Company who is an officer in default shall on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange(s).

Underwriting Agreement

The company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by the Lead Manager – Choice Capital Advisors Private Limited. Pursuant to the terms of the Underwriting Agreement dated December 27, 2013, the obligations of the underwriters are several and 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	No. of Equity Shares Underwritten	Amount Underwritten (Rs. in Lakhs)	% of Total Issue Size Underwritten
Choice Capital Advisors Private Limited Shree Shakambhari Corporate Park, 156-158, Chakravarti Ashok Society, J.B. Nagar, Andheri (E), Mumbai – 400 099 Tel: 022 – 6707 9999 Fax: 022 – 6707 9959 Email ID: sujata@choiceindia.com Website: www.choiceindia.com Contact Person: Sujata Chattopadhyay SEBI Registration No: INM000011872	49,52,000	742.80	100
Total	49,52,000	742.80	100

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

DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager have entered into an agreement dated December 27, 2013 with the following Market Maker, duly registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park,
 156-158, Chakravarti Ashok Society,
 J.B. Nagar, Andheri (E),
 Mumbai – 400 099

Tel: 022 – 6707 8910

Fax: 022 – 6707 9959

Contact Person: Mr. Mahavir Toshniwal

Email ID: mahavir.toshniwal@choiceindia.com

SEBI Registration No: INB011377331

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

Choice Equity Broking Private Limited, registered with SME segment of BSE will act as the market makers 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 such period as may be notified by amendment to SEBI (ICDR), Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

Following is a highlight of 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, investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their entire holding to the Market Maker(s) (individually or jointly) in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker
3. After a period of three months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 2,80,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 2,80,000 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. Price circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker maker may be present in the opening call auction, but there is no obligation on him to do so.
9. The Market Maker may be allowed to withdraw temporarily/fully from the market under special circumstances such as 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 a 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 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 Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding 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 office from 11.00 a.m. to 5.00 p.m. on working days.

11. SEBI has issued a circular no. CIR/MRD/DSA/31/2012 dated November 27, 2012 providing guidelines for Market Makers for the inventory management on the SME Exchange / Platform. The Market Makers agree to abide by such guidelines/circulars and any further guidelines/circulars issued by SEBI or Stock Exchange from time to time. The circular limits on the upper side for market makers during the market making process has been applicable, based on the issue size and as follows:

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

12. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
13. **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker 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.

14. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

CAPITAL STRUCTURE

The share capital of our company, as on the date of this Prospectus and after giving effect to the Issue is as stated below:

(Rs. in Lacs)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
1.	Authorised Share Capital		
	1,20,00,000 Equity Shares of Rs. 10/- each	1200.00	-
2.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	65,19,333 Equity Shares of Rs. 10/- each ⁽¹⁾	651.93	-
3.	Present Issue in terms of the Prospectus⁽²⁾		
	49,52,000 Equity Shares of Rs. 10/- each at a premium of Rs. 5/- per Equity Share	495.20	742.80
	Which comprises		
(i)	2,80,000 Equity Shares of Rs. 10/- each at a premium of Rs. 5/- per Equity Share reserved as Market Maker Portion	28.00	42.00
(ii)	Net Issue to Public of 46,72,000 Equity Shares of Rs. 10/- each of the Company at a premium of Rs. 5/- per Equity Share	467.20	700.80
	Of which		
	23,36,000 Equity Shares of Rs. 10/- each at a premium of Rs. 5/- per Equity Share will be available for allocation for Investors of up to Rs. 2 Lacs	233.60	350.40
	23,36,000 Equity Shares of Rs. 10/- each at a premium of Rs. 5/- per Equity Share will be available for allocation for Investors of above Rs. 2 Lacs	233.60	350.40
4.	Issued, subscribed & Paid up Capital after the Issue		
	1,14,71,333 Equity Shares of Rs. 10/- each fully paid up	1147.13	-
5.	Share Premium Account		
	Before the Issue		115.36
	After the Issue		362.96

(1) All Equity Shares are fully paid-up.

(2) The Issue, in terms of this Prospectus, has been authorised pursuant to the resolution of Board of Directors dated April 22, 2013 and approved by the shareholders vide resolution passed at the Extraordinary General Meeting of the Company held on May 16, 2013, under Section 81(1A) of the Companies Act, 1956.

Our Company has only one class of share capital i.e. Equity Shares of Rs. 10/- each.

Notes to Capital Structure

1 Details of increase in the Authorised Share Capital of Our Company

Date of Meeting	Nature of Meeting	No. of Equity Shares	Face Value (Rs.)	Cumulative No. of Equity Shares	Cumulative Authorised Share Capital
Incorporation January 15, 1997	-	50,000	10	50,000	5,00,000
March 06, 2000	EGM	2,00,000	10	2,50,000	25,00,000
October 07, 2005	EGM	2,50,000	10	5,00,000	50,00,000
February 01, 2011	EGM	5,00,000	10	10,00,000	1,00,00,000
May 16, 2013	EGM	1,10,00,000	10	1,20,00,000	12,00,00,000

2 Equity Share Capital History of Our Company

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Reason for Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Share Capital (Rs.)	Cumulative Share Premium (Rs.)
Incorporation January 15, 1997	200	10	10	Cash	Initial Subscription ⁽¹⁾	200	2,000	NIL
August 19, 1998	49,800	10	10	Cash	Further Allotment ⁽²⁾	50,000	5,00,000	NIL
January 31, 2001	2,00,000	10	10	Cash	Further Allotment ⁽³⁾	2,50,000	25,00,000	NIL
March 31, 2006	2,50,000	10	40	Cash	Further Allotment ⁽⁴⁾	5,00,000	50,00,000	75,00,000
March 31, 2011	50,000	10	200	Cash	Further Allotment ⁽⁵⁾	5,50,000	55,00,000	1,70,00,000
June 24, 2013	33,00,000	10	-	Bonus	Bonus Issue in the ratio of 6:1 ⁽⁶⁾	38,50,000	3,85,00,000	1,70,00,000
June 24, 2013	26,69,333	10	15	Cash	Further Allotment ⁽⁷⁾	65,19,333	6,51,93,330	3,03,46,665

1) Initial Subscriber's to Memorandum of Association Mr. Pradeep Shikharchand Badkur and Mr. Ignatious David Chittatukarakaran Inasu were each allotted 100 equity shares of Rs 10/- fully paid up.

2) The Company allotted 49,800 Equity Shares of Rs. 10/- each comprising to four allottees.

3) The Company allotted 2,00,000 Equity Shares of Rs. 10/- each to eleven allottees.

4) The Company allotted 2,50,000 Equity Shares of Rs. 10/- each to nine allottees.

5) The Company allotted 50,000 Equity Shares of Rs. 10/- each to one allottee.

6) The Company allotted 33,00,000 Equity Shares of Rs. 10/- each as fully paid bonus shares to the existing shareholders as on Record Date, April 22, 2013 Rs.169.42 lakhs from Security Premium and Rs.160.58 lakhs from Surplus of Profit & Loss A/c of the Company.

7) The Company allotted 26,69,333 Equity Shares of Rs. 10/- each to four allottees.

3 We presently do not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable for, directly or indirectly, for our Equity Shares) whether on a preferential basis or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

4 Issue of Equity Shares allotted for consideration other than cash

Date of Allotment	No. of Equity Shares Issued	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason for Allotment	Person to whom Equity Shares allotted	
						Name of the Allottee	Shares Allotted
June 24, 2013	33,00,000	10	Nil	-	Bonus Issue of Equity Shares in the ratio of 6:1	Jimmy Ignatious Chittatukarakaran	1,50,000
						Pradeep Shikharchand Badkur	5,06,940
						Namrata Pradeep Badkur	6,75,000
						Ignatious David Chittatukarakaran Inasu	11,13,000
						Harsh Pradeep Badkur	5,55,000
						Puneet Pradeep Badkur	3,00,000
						Dinesh Rajabhai Rita	60
						Total	33,00,000

The issue being by way of the capitalization of reserves, no benefits has accrued to our Company out of the above issuances.

- 5 We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Section 391-394 of the Companies Act, 1956. The Company has not issued any shares for consideration other than cash, except for the bonus issue made, the details of which are as follows:

a) 33,00,000 Equity Shares issued in the ratio of Six Equity Shares for every One Equity Share held, through capitalization of security premium account and profit & loss account aggregating to Rs. 330 Lacs pursuant to the approval of the shareholders in the EGM dated May 16, 2013.

- 6 We have not issued any Equity Shares at a price less than the Issue Price in the one year immediately preceding the date of filing of this Prospectus.

7 Promoter Capital Build-Up & Lock-in details

The Equity Shares held by the Promoters were acquired / allotted in the following manner:

a. Details of build-up of shareholding of Promoters

Date of Allotment / Transfer / Acquisition	No. of Equity Shares*	Face Value (Rs.)	Issue / Acquisition/Transfer Price**	Consideration (Cash / bonus / kind etc.)	Nature of Transaction	Pre- Issue Share - holding %	Post - Issue Share - holding %
Pradeep Shikharchand Badkur							
Incorporation January 15, 1997	100	10	10	Cash	Subscription to Memorandum of Association	0.00	0.00
August 19, 1998	12,400	10	10	Cash	Further Allotment	0.19	0.11
April 15,2009	10,000	10	1	Cash	Transfer ⁽¹⁾	0.15	0.09
April 15,2009	40,000	10	1	Cash	Transfer ⁽²⁾	0.61	0.35
April 15,2009	22,000	10	1	Cash	Transfer ⁽³⁾	0.34	0.19

December 20, 2012	(10)	10	85	Cash	Transfer ⁽⁴⁾	(0.00)	(0.00)
June 24, 2013	5,06,940	10	Nil	Bonus	Bonus Issue of Equity Shares in ratio of 6:1	7.78	4.42
June 24, 2013	6,69,333	10	15	Cash	Further Allotment	10.27	5.83
Sub Total (A)	12,60,763					19.34	10.99
Harsh Pradeep Badkur							
January 31, 2001	8,900	10	10	Cash	Further Allotment	0.14	0.08
March 30, 2001	(8,900)	10	10	Cash	Transfer ⁽⁵⁾	(0.14)	(0.08)
April 15, 2009	42,500	10	1	Cash	Transfer ⁽⁶⁾	0.65	0.37
March 15, 2010	50,000	10	4	Cash	Transfer ⁽⁷⁾	0.77	0.44
June 24, 2013	5,55,000	10	Nil	Bonus	Bonus Issue of Equity Shares in ratio of 6:1	8.51	4.84
June 24, 2013	6,66,666	10	15	Cash	Further Allotment	10.23	5.81
Sub Total (B)	13,14,166					20.16	11.46
Namrata Pradeep Badkur							
August 19,1998	12,500	10	10	Cash	Further Allotment	0.19	0.11
March 15, 2010	1,00,000	10	4	Cash	Transfer ⁽⁸⁾	1.53	0.87
June 24,2013	6,75,000	10	Nil	Bonus	Bonus Issue of Equity Shares in ratio of 6:1	10.35	5.88
June 24,2013	6,66,666	10	15	Cash	Further Allotment	10.23	5.81
Sub Total (C)	14,54,166					22.31	12.67
Total (A)+(B)+(C)	40,29,095					61.80	35.12

* The Equity Shares were fully paid on the date of allotment.

** The cost of acquisition excludes the stamp duty paid.

None of the Equity Shares held by our Promoter is pledged or encumbered on the date of filing of this Prospectus

- 1) 10000 equity shares of Rs. 10/- each fully paid up transferred from Mr. Kranti Santosh Jain to Mr. Pradeep Shikharchand Badkur on April 15, 2009.
- 2) 40000 equity shares of Rs. 10/- each fully paid up transferred from Mr. Nemichand Jain to Mr. Pradeep Shikharchand Badkur on April 15, 2009.
- 3) 22000 equity shares of Rs. 10/- each fully paid up transferred from Mr. Ramesh Mehta to Mr. Pradeep Shikharchand Badkur on April 15, 2009.
- 4) 10 equity shares of Rs. 10/- each fully paid up transferred from Mr. Pradeep S Badkur to Mr. Dinesh Rita on December 20, 2012.
- 5) 8900 Equity Shares of Rs. 10/- each fully paid up transferred from Mr. Harsh Pradeep Badkur to Mrs. Leela Mehta on March 30, 2001.
- 6) 42500 equity shares of Rs. 10/- each fully paid up transferred from Mr. R. Fernandes to Mr. Harsh Pradeep Badkur on April 15, 2009.
- 7) 50000 equity shares of Rs. 10/- each fully paid up transferred from M/s. Refine Marketing Private Limited to Mr. Harsh Pradeep Badkur on March 15, 2010.
- 8) 100000 equity shares of Rs. 10/- each fully paid up transferred from M/s. Refine Marketing Private Limited to Mrs. Namrata Pradeep Badkur on March 15, 2010.

b. Details of Promoters Contribution locked-in for (3) three years

Pursuant to the Regulation 32(1) and 36(a) of SEBI (ICDR) Regulations, an aggregate of 20% of the post-Issue equity share capital of the company shall be locked-in by the promoters for a period of three (3) 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 the listing of the Equity Shares.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the post-Issue equity share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of the Prospectus until the commencement of the lock-in period specified above.

Details of Promoters' Contribution are as provided below:

Date of Allotment / Transfer and made fully paid up	No. of Equity Shares*	Face Value (Rs.)	Issue / Acquisition Price	Consideration (Cash / bonus / kind etc.)	Nature of Allotment	% of post issue paid up capital	Lock-in period
Pradeep Shikharchand Badkur							
Incorporation January 15, 1997	100	10	10	Cash	Subscription to Memorandum of Association	0.00	3 years
August 19, 1998	12,400	10	10	Cash	Further Allotment	0.11	
April 15,2009	10,000	10	1	Cash	Transfer	0.09	
April 15,2009	40,000	10	1	Cash	Transfer	0.35	
April 15,2009	22,000	10	1	Cash	Transfer	0.19	
June 24,2013	5,06,940	10	Nil	Cash	Bonus Issue in the ratio of 6:1	4.42	
June 24,2013	6,69,333	10	15	Cash	Further Allotment	5.83	
Sub -Total (A)	12,60,763					10.99	
Namrata Pradeep Badkur							
August 19,1998	12,500	10	10	Cash	Further Allotment	0.11	3 years
March 15,2010	1,00,000	10	4	Cash	Transfer	0.87	
June 24,2013	6,75,000	10	Nil	Cash	Bonus Issue in the ratio of 6:1	5.88	
June 24,2013	6,66,666	10	15	Cash	Further Allotment	5.81	3 Years
TOTAL (B)	14,54,166					12.67	3 Years
TOTAL (A)+(B)	27,14,929					23.66	3 Years

The promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from persons who are classified and defined as promoters of our Company as per the SEBI (ICDR) Regulations, 2009.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for three years does not consist of:

- i. equity shares acquired in past three years for consideration other than cash ; or;
- ii. equity shares resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution during the period of last three years;
- iii. equity shares acquired by promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue;
- iv. equity Shares forming a part of promoter's contribution have not been issued to our Promoters on conversion of a partnership firm into a limited company;
- v. equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;
- vi. private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary; and
- vii. 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.

c. Details of Share Capital locked-in for (1) 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 lock- in for a period of one year from the date of Allotment, in accordance with regulation 37 of the SEBI (ICDR) Regulations, 2009, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of transferees for the remaining period and compliance with the SEBI Takeover Code.
- Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, 2009, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. As on date of this Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, 2009, Equity Shares held by the Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, 2009, may be transferred to and amongst the Promoters/ Promoter Group or to a new promoter or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by shareholders other than the Promoters, which are locked-in as per Regulation 37 of the SEBI Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

d. Details of aggregate shareholding of Promoter Group

Name of the Promoter Group Entity / Individual	Number of Equity Shares	% of paid up Pre Issue Share Capital	Number of Equity Shares held post issue	% of Post Issue Capital
Puneet Pradeep Badkur	10,16,668	15.59	10,16,668	8.86
Ignatious David Chittatukarakaran Inasu	12,98,500	19.92	12,98,500	11.32
Jimmy Ignatious Chittatukarakaran	1,75,000	2.68	1,75,000	1.53
Dinesh Rajabhai Rita	70	0.00	70	0.00
Total	24,90,238	38.20	24,90,238	21.71

* 4000 equity shares held by Puneet Pradeep Badkur were transferred for Rs 10/- each to Leela Mehta as on March 30, 2001. Except as otherwise stated in this section, none of the members of our Promoter Group hold or have held any Equity Shares in the company.

- e. Except as stated below, our Promoters and their immediate relatives, Directors and Promoter Group have neither purchased, nor have they sold any Equity Shares, during a period of six months preceding the date of filing this Prospectus.

Sr. no.	Name of the Director/Promoter/Promoter Group	Date of Transaction	No of Equity Shares	Price per Equity Share (in Rs)	Total Consideration (in Rs)	Nature of Transaction
1	Pradeep Shikharchand Badkur	24.06.2013	6,69,333	15	1,00,39,995	Preferential Allotment
2	Harsh Pradeep Badkur	24.06.2013	6,66,666	15	99,99,990	Preferential Allotment
3	Namrata Pradeep Badkur	24.06.2013	6,66,666	15	99,99,990	Preferential Allotment
4	Puneet Pradeep Badkur	24.06.2013	6,66,668	15	1,00,00,020	Preferential Allotment

Note: During the last six months, the maximum and minimum price of the transaction was Rs 15 except for the allotment of 33,00,000 equity shares as bonus shares.

- f. Except as stated below, none of our Directors or key managerial personnel hold Equity Shares in the Company:

Sr. no.	Name of the Directors	No. of Shares	As a % of Pre Issue Share Capital	As a % of Post Issue Share Capital
1	Pradeep Shikharchand Badkur	12,60,763	19.34	10.99
2	Namrata Pradeep Badkur	14,54,166	22.31	12.67
3	Harsh Pradeep Badkur	13,14,166	20.16	11.46
4	Ignatious David Chittatukarakaran Inasu	12,98,500	19.92	11.32
5	Jimmy Ignatious Chittatukarakaran	1,75,000	2.68	1.53
	TOTAL	55,02,595	84.41	47.97

- g. During the period of six months immediately preceding the date of filing of this Prospectus, no financing arrangements existed whereby our Promoters, our Promoter Group, Our Directors and their relatives may have financed the purchase of Equity Shares by any other person.

8 Our Shareholding pattern

- A. The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category Code	Category of Share holders	Pre-Issue					Post-Issue					Shares pledged or otherwise encumbered	
		No. of Share holders	Total No. of Shares	No. of shares held in dematerialised form	Total shareholding as a % of total number of shares		No. of Shares	Total No. of Shares	No. of shares held in dematerialised form	Total shareholding as a % of total number of shares			
					As a % of (A + B)	As a % of (A + B + C)				As a % of (A + B)	As a % of (A + B + C)	No. of equity shares	As a percentage
(A)	Promoter and Promoter Group												
1	Indian												
(a)	Individuals/ HUF	7	65,19,333	65,19,333	100	100	7	65,19,333	65,19,333	56.83	56.83	0	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
	Subtotal (A)(1)	7	65,19,333	65,19,333	100	100	7	65,19,333	65,19,333	56.83	56.83	0	0.00
2	Foreign												
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (Specify)	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00

	Sub-Total (A)(2)	0	0	0	0.00	0.00	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	65,19,333	65,19,333	100	100	7	65,19,333	65,19,333	56.83	56.83	0	0
(B)	Public Shareholding												
1	Institution												
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(d)	Venture Capital Funds	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(e)	Insurance Companies	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(g)	Foreign Venture Capital Investor	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(i)	Market Makers	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(j)	Any Other (Specify)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
	Sub-total (B)(1)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]

2	Non-Institutions												
(a)	Bodies Corporate	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(b)	Individuals												
	i. Individual shareholders holding nominal share capital up to Rs. 1 Lakh	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
(c)	Any Other (Specify)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
	Sub-Total (B)(2)	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
	Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0.00	0.00	[.]	49,52,000	49,52,000	43.17	43.17	0	0
	Total (A)+(B)	7	65,19,333	65,19,333	100	100	[.]	1,14,71,333	1,14,71,333	100	100	0	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	[.]	[.]	[.]	[.]	[.]	[.]	[.]
	GRAND TOTAL (A)+(B)+(C)	7	65,19,333	65,19,333	100	100	[.]	1,14,71,333	1,14,71,333	100	100	[.]	[.]

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

Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group:

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
	Promoter				
1	Pradeep Shikharchand Badkur	12,60,763	19.34	12,60,763	10.99
2	Namrata Pradeep Badkur	14,54,166	22.31	14,54,166	12.67
3	Harsh Pradeep Badkur	13,14,166	20.16	13,14,166	11.46
	Promoter Group				
1	Puneet Pradeep Badkur	10,16,668	15.59	10,16,668	8.86
2	Ignatious David Chittatukarakaran Inasu	12,98,500	19.92	12,98,500	11.32
3	Jimmy Ignatious Chittatukarakaran	1,75,000	2.68	1,75,000	1.53
4	Dinesh Rajabhai Rita	70	0.00	70	0.00
	Total	65,19,333	100.00	65,19,333	56.83

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

Name of the Promoter	No of Shares Held	Average Cost of Acquisition (in Rs)*
Pradeep Shikharchand Badkur	12,60,763	8.12
Namrata Pradeep Badkur	14,54,166	7.24
Harsh Pradeep Badkur	13,14,166	7.79
Promoter Group	24,90,238	6.06

* Including the Equity Shares issued pursuant to bonus issue.

9 Top ten shareholders

The list of the top ten shareholders of our Company and the number of Equity Shares held by them is provided below:

a. As on the date of filing this Prospectus

Sr. No.	Name of the Shareholders	Number of Equity Shares	%
1.	Namrata Pradeep Badkur	14,54,166	22.31
2.	Harsh Pradeep Badkur	13,14,166	20.16
3.	Ignatious David Chittatukarakaran Inasu	12,98,500	19.92
4.	Pradeep Shikharchand Badkur	12,60,763	19.34
5.	Puneet Pradeep Badkur	10,16,668	15.59
6.	Jimmy Ignatious Chittatukarakaran	1,75,000	2.68
7.	Dinesh Rajabhai Rita	70	0.00
	TOTAL	65,19,333	100.00

* Our Company has only seven shareholders as on the date of this Prospectus.

b. Ten days prior to filing of this Prospectus

Sr. No.	Name of the Shareholders	Number of Equity Shares (Rs. 10/-)	%
1.	Namrata Pradeep Badkur	14,54,166	22.31
2.	Harsh Pradeep Badkur	13,14,166	20.16
3.	Ignatious David Chittatukarakaran Inasu	12,98,500	19.92
4.	Pradeep Shikharchand Badkur	12,60,763	19.34
5.	Puneet Pradeep Badkur	10,16,668	15.59
6.	Jimmy Ignatious Chittatukarakaran	1,75,000	2.68
7.	Dinesh Rajabhai Rita	70	0.00
	TOTAL	65,19,333	100.00

* Our Company had seven shareholders ten days prior to the date of this Prospectus.

c. Two years prior to filing of this Prospectus

Sr. No.	Name of the Shareholders	Number of Equity Shares (Rs. 10/-)	%
1.	Ignatious David Chittatukarakaran Inasu	1,85,500	33.72
2.	Namrata Pradeep Badkur	1,12,500	20.45
3.	Harsh Pradeep Badkur	92,500	16.82
4.	Pradeep Shikharchand Badkur	84,500	15.36
5.	Hindustan Continental Limited	50,000	9.09
6.	Jimmy Ignatious Chittatukarakaran	25,000	4.55
	TOTAL	5,50,000	100.00

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

- 10** 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 Equity Shares.
- 11** Our Company, our Directors, our Promoters and the Lead Manager to this Issue have not entered into any buy-back and/or standby and/or safety net and/or any other similar arrangements for purchase of Equity Shares being offered through this Issue from any person connected with the Issue.
- 12** The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.
- 13** Our Company has not raised any bridge loan against the proceeds of this Issue.
- 14** As on the date this Prospectus there are no outstanding financial instruments or warrants or any other rights that would entitle the existing Promoters or Shareholders or any other person any option to receive Equity Shares after the offering.
- 15** 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.
- 16** The Equity Shares of our Company are fully paid up and there are no partly paid up Equity Shares as on date of this Prospectus.

- 17 Since the entire price i.e of Rs. 15/- per share (Rs. 10/- face value + Rs. 5/- premium) is being called on application, all the successful applicants will be issued fully paid-up Equity Shares at the time of Allotment.
- 18 Our Company has not made any public issue of any kind or class of securities since its incorporation.
- 19 Our Company does not have any ESOP/ESPS scheme for our employees and we do not intend to allot any Equity Shares to our employees under ESOP/ESPS scheme from the proposed Issue.
- 20 Our Promoters or Promoter Group will not participate in the Issue.
- 21 The Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of registering this Prospectus with the RoC and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transactions.
- 22 In respect of various agreements entered into by our Company with the lenders/bankers and sanction letters issued by our lenders to us, we are bound by certain restrictive covenants regarding the alteration of our capital structure and other restrictive covenants. As per the loan agreements and sanction letters, we are required to take written consent from the lenders, pursuant to which we have taken written consents in relation to this Issue from the following bank, from which our Company enjoys credit facilities:

Sr. No	Lender/Banker	Date of NOC
1	IndusInd Bank Limited	August 01, 2013

- 23 An over-subscription to the extent of 10% of this Issue size may be retained for the purpose of rounding off while finalizing the basis of allotment of Equity Shares.
- 24 In case of over-subscription in all categories the allocation in the issue shall be in accordance with the requirements of regulation 43(4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
- 25 Under-subscription, if any, in any portion would be met out of the spill over from other categories at the sole discretion of our Company in consultation with the Lead Manager and the Designated Stock Exchange.
- 26 This issue is being made through Fixed Price method.
- 27 The total number of members of our Company as on the date of filing this Prospectus is 7 (Seven).
- 28 No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash, kind, services, or otherwise, to any Applicant.
- 29 There shall be only one denomination of Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 30 An investor cannot make an Application for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

- 31** The shares locked in by our Promoters are not pledged to any party. The Equity Shares held by our Promoters which are locked-in for a period of one year can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, provided the pledge of shares is one of the terms of sanction of such loan.

Further, the equity shares held by our Promoters which are locked-in for a period of three years can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, provided that the loan had been taken for purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of the loan.

- 32** Except as disclosed under section titled “Issue Structure” beginning on page 228 of the Prospectus, there will be no further issue of Equity Shares either by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Prospectus with BSE until the Equity Shares have been listed.
- 33** The Equity Shares forming part of Promoters’ contribution do not consist of any private placement made by solicitation of subscription from unrelated persons, either directly or through any intermediary.
- 34** None of the Equity Shares have been issued to Promoter or member of the Promoter Group or any member of our Company for consideration other than cash except for bonus shares as mentioned above.

OBJECTS OF THE ISSUE

This Issue is being undertaken to meet the objects, as set forth herein, and to realize the benefits of listing of our Equity Shares on Stock Exchanges, which in our opinion would enhance our Company's brand name and create of public market of our Equity Shares in India.

The Net Proceeds of the Issue, after deducting Issue related expenses, are estimated to be approximately Rs. 698.81 lacs.

The Net Proceeds from the Issue are proposed to be utilised by our Company for the following objects:

1. To acquire additional plant & machinery at the existing manufacturing facilities of our Company located at village: - Vadvali, Tal:- Wada, District : Thane
2. To fund the interiors of corporate office of the company, which has been acquired at Thane
3. To meet the incremental working capital requirements
4. To meet the expenses towards general corporate purposes.
5. To get the equity shares of our Company listed on SME platform of BSE.

The main object as stated in the Memorandum of Association enables our Company to undertake the activities for which the funds are being raised through this Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and its deployment are based on estimates made by our management and such estimates have not been subjected to appraisal by any bank or financial institution.

FUND REQUIREMENT

We intend to utilise the proceeds of Fresh issue, on the following:

Sr. No.	Particulars	Amount (Rs. in Lacs)
1	Purchase of Plant & Machinery	332.00
2	Interiors of Corporate office at Thane*	108.76
3	Incremental Working Capital Requirement	292.91
4	General Corporate Purposes	60.33
5	Issue expenses*	53.00
	Total	847.00
Means of Finance		
1.	Public Issue Proceeds	742.80
2.	Internal Accruals	104.20
	Total	847.00

*As on November 30, 2013, our Company has incurred a sum of Rs. 95.19 lacs and Rs. 9.01 lacs against expenses towards interiors of the Corporate Office at Thane and issue related expenses respectively. The fund deployed upto November 30, 2013 pursuant to the object of the Issue has been certified by the Statutory Auditors, M/s. S. P. Jain & Associates, Chartered Accountants in their certificate dated November 30, 2013.

The objects of the Issue detailed above are proposed to be funded from the Proceeds of the Issue and the amount expended thereon till date has been funded out of Internal Accruals. Accordingly, we confirm that there is no requirement for us to make any further arrangements for financing the same through any verifiable means.

The fund requirement as stated in the table above is based on our internal management estimates. In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the overall objects.

In case of variations in the actual utilisation of funds earmarked 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. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

While we intend to utilise the Net Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements.

No part of the proceeds of this issue will be paid as consideration to our promoters, directors, key managerial employees or group concerns/companies promoted by our promoters.

DETAILS OF USE OF THE PROCEEDS

1. Acquisition of Plant & Machinery at the existing manufacturing facility at Wada

Our Company has earmarked Rs 332.00 lacs towards purchase of plant and machinery. A quotation dated August 1, 2013 has been received from SPM Machines (India) having office at D-133, T.T.C, M.I.D.C, Indl Area, Thane, Belapur Road, Nerul, Navi Mumbai -400 706. The details of the plant & machinery, their respective costs, the applicable taxes and duties are as follows:

Sr. No.	Particulars of Plant & Machinery	Amount (Rs. in Lacs)
1	Used Kolomna Double Column VTL 1540- Chuck: 3500mm Swing: 4000 mm Height: 1800mm: Weight:50Ton	295.11
	Taxes	36.89
	Total	332.00

The machinery proposed to be bought is second hand machinery. M.M. Vaidya & Co, Surveyors, Assessors and Valuers has vide their certificate dated August 28, 2013 certified that the machinery is in good condition and its estimated residual life of machine is more than 20 years.

2. Interiors of Proposed Corporate Office located at Thane

Our Company had received quotation dated February 12, 2013 from Architect Sanjeev Mehta from Ethique having office at 507/508, D Wing, Kailash Esplanade, L.B.S Marg, Opp. Shreyas Cinema, Ghatkopar (West), Mumbai -400086 for of Rs 108.76 lacs towards interiors for the corporate office at 503, 5th Floor, Sunrise Business Park, B-68, Road no. 16, Wagle Industrial Estate, Panchpakhadi, Thane – 400 064. A brief description of cost is provided below:

Sr. No.	Description	Amount (Rs. in Lacs)
1	Civil Work	10.45
2	POP Work	7.00
3	Carpentry Work	31.00
4	Painting & Polishing Work	7.00
5	Electrical/data/cctv/access control	8.50
6	Air Conditioning	19.20
7	Loft Work	2.50
8	Chairs & Soft Chairs	3.00
9	Other Miscellaneous Fixed Assets	5.24
10	Architect Fee's (Eithque)	7.87
	Total	101.76

We have earmarked a contingency of Rs 7.00 lacs which is approx 7.5% of the total cost. As on November 30, 2013 our Company has incurred a sum of Rs 95.19 lacs against expenses towards interiors of the Corporate Office at Thane. This has been met through internal accruals. A certificate has been obtained from S. P. Jain & Associates, Chartered Accountants regarding the source and deployment of funds.

3. Augmenting of working capital requirement

We operate in an industry which is highly working capital intensive. In order to meet the incremental working capital requirements, Rs 292.91 lacs is proposed out of the issue proceeds to meet the increased working capital margin money requirements.

Inventory, Debtors, Advances, Creditors have been taken at various levels, which is in consonance with the industry practices and past trends. The estimates of working capital requirement are based on the management's internal estimates which are as follows:

(Rs in Lacs)

	Particulars	Audited 31.03.2013	Estimated 31.03.2014
A	Current Assets		
	Inventory	679.57	815.66
	Trade Receivables	370.34	416.83
	Cash and Cash Equivalents	71.03	115.12
	Short term loans and advances & other current assets	67.02	68.30
	Total Current Assets	1187.96	1415.91
B	Current Liabilities (other than bank borrowings)		
	Trade Payables	268.01	358.00
	Provisions	17.95	18.00
	Other Current Liabilities	229.66	198.00
	Total Current Liabilities	515.62	574.00
	Working Capital Gap (A-B)	672.00	841.91
C	Existing Fund Based Facility	549.00	549.00
D	To be Met out of Issue Proceeds	123.00	292.91

Presently, we have been availing the working capital facilities sanctioned by our banker, Indusind Bank Limited for Rs 500.00 lacs and working capital term loan of Rs 49.00 lacs from First Capital Limited. The incremental working capital requirement of our Company for FY 2012-13 is Rs 292.91 lacs proposed to be raised as working capital margin from the Issue proceeds.

Basis of Estimation

The incremental long term working capital requirements are based on Company's historical data and estimation of the future requirements in FY 2013-14 considering the growth in activities of our Company and are in line with norms accepted by our Banker.

We have estimated a credit period of 3.63 months to our customers/creditors in FY 2013-14 and similarly we have estimated advance to suppliers, other current assets and current liabilities in the line with working capital employed in FY 2011-12 and FY 2012-13.

We have estimated future working capital requirements based on the following

(In Days)

Particulars	Basis	FY 2012	FY 2013	FY 2014 (Estimated)
Inventory	Inventory	105	109	109
Receivables	Debtors Collection Period	156	60	109
Creditors	Credit Period	131	54	80

4. Issue Related Expenses

The estimated issue related expenses 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 at Rs 53.00 lakhs:

Expenses	Expenses (Rs in Lakhs)	Expenses (% of total Issue Expenses)	Expenses (% of Issue Size)
Payment to Merchant Banker, market making fees, selling commissions, underwriting, SCSB commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers, etc and other out of pocket expenses	38.00	71.70	4.75
Printing and Stationary and postage expenses	4.00	7.55	0.50
Advertising and Marketing expenses	4.00	7.55	0.50
Other Expenses	7.00	13.20	0.87
Total Estimated Issue Expenses	53.00	100.00	6.62

5. General Corporate Purposes

Our Company intends to deploy not more than 10% of the IPO Proceeds for general corporate purposes, including but not restricted to, future growth requirements, strategic initiatives, renovation of existing offices and otherwise meeting the exigencies faced in the ordinary course of business, or any other purposes as approved by the Board.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

The net proceeds of the issue proposed will be utilised towards the stated objects during FY 2014. Further, our Company has incurred the following expenditure on the project till November 30, 2013. The same has been certified by our Statutory Auditors, S. P. Jain & Associates, Chartered Accountants vide their certificate dated November 30, 2013.

(Rs in Lacs)

Particulars	Amount
Project related	95.19
Issue Related Expenses	9.01
Total	104.20

The above funds were deployed out of the Company's internal accruals.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue.

APPRAISAL OF THE OBJECTS

None of the objects for which the Net Proceeds will be utilised have been financially appraised. The estimates of the cost of objects mentioned above are based on internal estimates of our Company

MONITORING UTILIZATION OF FUNDS

The net proceeds of the Issue being less than Rs 500 Crores, it is not mandatory for us to appoint a monitoring agency under the SEBI Regulations.

The management of the Company will monitor the utilization of funds raised through this public issue. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. Our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee on an annual basis. Such disclosures shall be made 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.

Interim Use of Funds

Our Company in compliance with the Companies Act, 1956 and with the policies established by the Board will have flexibility in deploying Issue proceeds received by us from the Issue during the interim period pending utilization for the Objects of the Issue. Pending utilisation of the funds raised from the Issue, our Company intends to temporarily invest the funds in interest bearing liquid instruments, including deposits with bank or for reducing overdraft and investment in money market mutual funds and other financial products and interest bearing securities. Such investment would be in accordance with the investment policies or investment limits approved by the Board of Directors from time to time.

BASIC TERMS OF ISSUE

The Equity Shares, now being offered, are subject to the terms and conditions of this Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, BSE, RBI, RoC and/or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

The present issue has been authorized pursuant to a resolution of our Board dated April 22, 2013 and by Special Resolution passed under Section 81(1A) of the Companies Act, 1956 at the Extra - Ordinary General Meeting of our shareholders held on May 16, 2013.

Face Value	Each Equity Share shall have the face value of Rs. 10/- each
Issue Price	Each Equity Shares is being offered at a price of Rs. 15/- each
Market Lot and Trading Lot	The Market lot and the Trading lot for the Equity Share is 8,000 and the multiple of 8,000 Equity Shares; subject to minimum allotment of 8,000 Equity Shares to the successful applicants
Terms of Payment	100% of the issue price of Rs. 15/- shall be payable on Application. For more details please refer to page 228 of this Prospectus.
Ranking of Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respect including dividends with the existing Equity Shares of the Company.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten the details of which have been disclosed on page 48 of this Prospectus.

If the issuer does not receive of 100% subscription of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

BASIS FOR ISSUE PRICE

The Issue Price of Rs 15/- per Equity Share has been determined by our Company, in consultation with the Lead Manager on the following qualitative and quantitative factors. The face value of the Equity Share is Rs 10/- and Issue Price is Rs 15/- per Equity Share which is 1.5 times the face value.

Investors should read the following summary with the “*Risk Factors*” beginning from page 12 of this Prospectus, section titled “*Business Overview*” beginning from page 89 and “*Financial Information*” beginning from page 143 of this Prospectus. The trading price of the Equity Shares of our Company could decline due to risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

Our Company is managed by a team of competent personnel having knowledge of core aspects of material, and marketing. The faith of the management in the staff and their performance has enabled us to build up capabilities to expand our business. Our business strengths as enumerated below allow us to compete successfully;

- Fully Integrated Manufacturing Facility
- Experienced Management Team
- Continuous focus on developing novel and innovative products
- Strong Customer Base
- Technical expertise and vast industry experience
- Quality Assurance and Standard

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, see the chapters titled “Business Overview” and “Risk Factors” beginning on pages 89 and 12, respectively, of this Prospectus.

QUANTITATIVE FACTORS

Information presented in the section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP.

Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) (On Face Value of Rs. 10 per share)

Period	Basic and Diluted EPS (Rs)	Weight	Weighted Basic and Diluted EPS (Rs)
Year ended March 31, 2011	(0.40)	1	(0.40)
Year ended March 31, 2012	1.87	2	3.74
Year ended March 31, 2013	2.27	3	6.81
Weighted Average EPS			1.69
8 months period ended November 30, 2013*			0.13

* Not Annualised

Notes:

- EPS represents basic earnings per share calculated as per AS – 20 issued by Institute of Chartered Accountants of India.
- The weighted average number of Equity Share outstanding during the period is adjusted for events of equity issue during the year, if any.

- For the purpose of calculating diluted EPS, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.
- 2. Price to Earnings (P/E) ratio in relation to issue price of Rs. 15 per equity share of Rs. 10/- each.**

Particulars	P/E Ratio as on Weighted Average EPS
P/E ratio based on Basic EPS for FY 2012-13	6.61
P/E ratio based on Weighted Average EPS of the last three financial years	8.88

3. Return On Net Worth as per restated audited financial statement is as follows:

Period	RONW%	Weight	RONW (%)
Year ended March 31, 2011	(5.67)	1	(5.67)
Year ended March 31, 2012	22.68	2	45.36
Year ended March 31, 2013	21.62	3	64.86
Weighted Average RONW			17.43
8 months period ended November 30, 2013			0.90

Note:

The Return on Net worth 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.

Minimum Return on Post Issue Net Worth required to maintain EPS at Rs 0.20 (Pre-Issue for November 30, 2013) is 1.49%. Minimum on Post Issue Net Worth to maintain EPS at Rs 1.69 (Pre- Issue Weighted Average EPS for the period ended March 31, 2011 to period ended March 31, 2013) is 12.62%.

Note: The figures are based on restated financials and the Issue Price of Rs. 15/-.

4. Net Assets Value (NAV) per Equity Shares (of face value of Rs. 10 each)

Particulars	NAV
As on March 31, 2013	10.50
As on November 30, 2013	12.18
NAV Post-Issue	13.40
Issue Price Rs.	15

5. Peer Group Comparison of Accounting Ratios

We are engaged in the business of manufacturing of valves. Currently there are no listed companies in the peer group company which are strictly comparable to us with respect to the industry in which we operate and the size of our Company.

The face value of Equity shares of our Company is Rs 10/- and the Issue Price is Rs 1.5 times of the face value. The Company in consultation with the Lead Manager believes that the Issue price of Rs. 15/- per share for the public issue is justified in view of the above parameters. The Investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Auditors' report in this Prospectus to have more informed view about the investment proposition

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Chemtech Industrial Valves Ltd,
Kanjurmarg (W), Mumbai.

Dear Sirs,

Sub: Statement of Possible Tax Benefits available to Chemtech Industrial Valves Ltd (“the Company”) and its shareholders in connection with the Initial Public Offering by the Company

We hereby report that the enclosed statement provides the possible tax benefits available to Chemtech Industrial Valves Ltd under the Income-tax Act, 1961 presently in force in India and to the shareholders of the Company under the Income Tax Act, 1961, Wealth Tax Act, 1957 and the Gift Tax Act, 1958, 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 statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

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

For S.P. Jain & Associates
Chartered Accountants
Firm’s registration number: 103969W

Kapil K. Jain
(Partner)
Membership No.: 108521
Place: Mumbai
Date: December 24, 2013

ANNEXURE

Special Tax Benefits

There are no special tax benefits applicable to the company as of now.

General Tax Benefits to the Company:

1. Dividends earned are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.
2. As per Section 10(35) of the act, the following income will be exempt from tax in the hand of company.
 - a. Income received in respect of the units of a Mutual Fund specified under section 10(23D); or
 - b. Income received in respect of units from the administrator of the specified undertaking; or
 - c. Income received in respect of units from the specified company
3. Income by way of interest, premium on redemption or other payment on notified securities, bonds, certificates issued by the Central Government is exempt from tax under section 10(15) of the Act, in accordance with and subject to the conditions and limits as may be specified in notifications.
4. The depreciation rate in respect of Motor Cars is 15%, Furniture & Fittings is 10%, Intangible asset is 25%, Computers 60%, Buildings (Residential) is 5% and Buildings (Others) is 10%.
(Under section 32 of the Act, the Company is entitled to claim depreciation subject to the conditions specified therein, at the prescribed rates on its specified assets used for its business.)
5. The amount of tax paid under Section 115JB by the company for any assessment year beginning on or after April 1, 2010, will be available as credit to the extent specified in section 115JAA for ten years succeeding the Assessment Year in which MAT credit becomes allowable in accordance with the provisions of Section 115JAA.
6. In case of loss under the head - Profit and Gains from Business or Profession, it can be set-off against any other head of income in accordance with the provision of section 71 and the excess loss after set-off can be carried forward for set-off against - Profit & Gain from Business or Profession of the next eight Assessment Years.
7. The unabsorbed depreciation, if any, can be adjusted against any other income and can be carried forward indefinitely for set-off against the income of future years.
8. If the company invests in the equity shares of another company, or unit in equity oriented fund as per the provisions of Section 10(38), of the Act any income arising from the transfer of a long term capital asset being an equity share in a company or unit in equity oriented fund is not includible in the total income, if the transaction is chargeable to Securities Transaction Tax.
9. Income earned from investment in units of a specified Mutual Fund specified under Clause 10(23D) is exempt from tax under section 10(35) of the Act. However, as per section 94(7) of the Act, losses arising from the sale/redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent such loss does not exceed the amount of income claimed exempt.

10. Further, as per section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus, and is allotted bonus units without any payment on the basis of holding original units on the record date and such person sells/redeems the original units within nine months of the record date, then the loss arising from sale/redemption of the original units will be ignored for the purpose of computing income chargeable to tax and the amount of loss ignored shall be regarded as the cost of acquisition of the bonus units.
11. In accordance with section 112 of the Act, the tax on capital gains on transfer of unlisted securities or units or zero coupon bonds where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
 - a. 20% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess) of the capital gains as computed after indexation of the cost; or
 - b. 10% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess) of the capital gains as computed without indexation.
12. In accordance with Section 111A of the Act, the tax on capital gains arising from the transfer of a short term asset being an equity share in a company or a unit of an equity oriented fund, is chargeable to tax at the rate of 15% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess), where such transaction is chargeable to Securities Transaction Tax. And if the provisions of Section 111A are not applicable to the short term capital gains, in case of non chargeability to Securities Transaction Tax, then the tax will be chargeable at the normal rates of tax (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess) as applicable.
13. Under section 36(1)(vii) of the Act, any bad debt or part thereof written off as irrecoverable in the accounts is allowable as a deduction from the total income.
14. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which does not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible expenditure.

Section 115-O

Tax rate on distributed profits of domestic companies (DDT) is 15%, the surcharge on Income tax is at 10%, and the Primary Education cess is at 2% and Secondary and Higher Secondary Education Cess at the rate of 1%

Tax Rates

The tax rate is 30%. The surcharge on Income tax is 10%, only if the total income exceeds Rs 100.00 Lacs. Primary Education cess is at 2% and Secondary and Higher Secondary Education Cess at the rate of 1%.

General Tax Benefits to the Shareholders of the Company

I. Under the Income-tax Act

A. Residents

1. Dividends earned on shares of the domestic company are exempt from tax in accordance with and subject to the provisions of section 10(34) of the Act read with section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

2. Shares of the company held as capital asset for a period of more than twelve months preceding the date of transfer will be treated as a long term capital asset.
3. Long term capital gain arising on sale of equity shares or unit of an equity oriented fund is fully exempt from tax in accordance with the provisions of section 10(38) of the Act, where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to securities transaction tax.
4. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income (i.e. dividend) is not a tax deductible expenditure.
5. Under section 36(1)(xv) of the Act, securities transaction tax paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head -Profits and Gains of Business or Profession.
6. As per the provision of Section 71(3) of the Act, if there is a loss under the head "Capital Gains" it cannot be set-off against the income under any other head. Section 74 provides that the short term capital loss can be set off against both Short term and Long term capital gain. But Long term capital loss cannot be set-off against short term capital gain. The unabsorbed short term capital loss can be carried forward for next eight assessment years and can be set off against any capital gains in subsequent years. The unabsorbed long term capital loss can be carried forward for next eight assessment years and can be set off only against long term capital gains in subsequent years.
7. Taxable long term capital gains would arise [if not exempt under section 10(38) or any other section of the Act] to a resident shareholder where the equity shares or units or zero coupon bonds are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:
 - a. Cost of acquisition/improvement of the shares as adjusted by the cost inflation index notified by the Central Government; and
 - b. Expenditure incurred wholly and exclusively in connection with the transfer of shares. Under section 112 of the Act, taxable long-term capital gains are subject to tax at a rate of 20% (plus applicable surcharge and education cess) after indexation, as provided in the second proviso to section 48 of the Act. However, in case of listed securities or units, the amount of such tax could be limited to 10% (plus applicable surcharge and education cess), without indexation, at the option of the shareholder.
8. Short term capital gains on the transfer of equity shares or units of an equity oriented fund where the shares are held for a period of not more than 12 months would be taxed at 15% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess), where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to securities transaction tax. In all other cases, the short term capital gains would be taxed at the normal rates of tax (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess) applicable to the resident investor. Cost indexation benefits would not be available in computing tax on short term capital gain.
9. Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain "Long term specified asset" within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 Million) for a minimum period of three years.

10. In accordance with section 54F of the Act, long-term capital gains arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual:
- Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - Purchases another residential house within a period of one year after the date of transfer of the shares; or
 - Constructs another residential house within a period of three years after the date of transfer of the shares; and
 - The income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head Income from house property. If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head Capital Gains of the year in which the residential house is transferred.

Tax Rates

For Individuals, HUFs, BOI and Association of Persons:

Slab of Income (in Rs)	Rate of tax (%)
0 – 200000	Nil
200001-500000	10%
500001-1000000	20%
1000001 and above	30%

Notes:

- In respect of senior citizens resident in India, the basic exemption limit is Rs 250,000.
- Age limit of senior citizen is 60 years.
- Education cess will be levied at the rate of 2% on income tax and Secondary and Higher Secondary Education Cess at the rate of 1%
- In respect of very senior citizens who are above the age of 80 years, the basic exemption limit is Rs. 500,000.

B. Non-Residents:

- Dividends earned on shares of the domestic Company are exempt in accordance with and subject to the provisions of section 10(34) of the Act read with Section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.
- Long term capital gain arising on sale of Company's Equity shares or units of an equity oriented fund, is fully exempt from tax in accordance with the provisions of section 10(38) of the Act, where the sale is made on or after October, 1 2004 on a recognized stock exchange and the transaction is chargeable to Securities Transaction Tax.

3. In accordance with section 48 of the Act, capital gains arising out of transfer of capital assets being shares in the company shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment thereafter in, and sale of, shares and debentures of, an Indian company including the Company. Cost indexation benefit will not be available in such a case.
4. As per the provisions of Section 90(2) of the Act, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.
5. In accordance with section 112 of the Act, the tax on capital gains on transfer of listed securities or units or zero coupon bonds where the transaction is not chargeable to Securities Transaction Tax, held as long term capital assets will be at the rate of 10% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess). A non-resident will not be eligible for adopting the indexed cost of acquisition and the indexed cost of improvement for the purpose of computation of long-term capital gain on sale of shares.
6. In accordance with Section 111A of the Act, the tax on capital gains arising from the transfer of a short term asset being an equity share in a company or a unit of an equity oriented fund, is chargeable to tax at the rate of 15% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess), where such transaction is chargeable to Securities Transaction Tax. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be chargeable at the applicable normal rates plus surcharge and education cess as applicable.
7. Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain "Long term specified asset" within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million) for a minimum period of three years.
8. In accordance with section 54F of the Act, long-term capital gains arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual:
 - a. Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - b. Purchases another residential house within a period of one year after the date of transfer of the shares; or
 - c. Constructs another residential house within a period of three years after the date of transfer of the shares; and
 - d. The income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head Income from house property.

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt. If the new residential house is transferred within a period of three years from the date of purchase or

construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head Capital Gains of the year in which the residential house is transferred.

C. Non-Resident Indians

Further, a Non-Resident Indian has the option to be governed by the provisions of Chapter XII-A of the Income-tax Act, 1961 which reads as under:

1. In accordance with section 115E of the Act, income from investment or income from long –term capital gains on transfer of assets other than specified asset shall be taxable at the rate of 20% (plus Education Cess and Secondary and Higher Secondary Education Cess). Income by way of long term capital gains in respect of a specified asset (as defined in Section 115C (f) of the Income-tax Act, 1961), shall be chargeable at 10% (plus Education Cess and Secondary and Higher Secondary Education Cess).
2. In accordance with section 115F of the Act, subject to the conditions and to the extent specified therein, long term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax, if the net consideration is invested within six months of the date of transfer in any specified new asset.
3. In accordance with section 115G of the Act, it is not necessary for a Non-Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange or both, and the tax deductible has been deducted at source from such income under the provisions of Chapter XVII-B of the Income-tax Act, 1961.
4. In accordance with section 115-I of the Act, where a Non-Resident Indian opts not to be governed by the provisions of Chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Income-tax Act, 1961. As per section 115H of the Act, where a non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing officer, along with his return of income for that year under section 139 of the act to the effect that the provision of chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under tax Treaty, if any, between India and the country in which the non -resident has fiscal domicile. As per provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non resident.
5. As per the provisions of Section 90(2) of the Act, the NRI shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.
6. In accordance with section 10(38) of the Act, any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to Securities Transaction Tax.
7. In accordance with section 10(34) of the Act, dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax.
8. In accordance with Section 111A of the Act capital gains arising from the transfer of a short term asset being an equity share in a company or a unit of an equity oriented fund where such transaction has suffered Securities Transaction Tax is chargeable to tax at the rate of 15% (plus applicable surcharge and

Education Cess and Secondary and Higher Secondary Education Cess). If the provisions of Section 111A of the Act are not applicable to the short term capital gains, then the tax will be chargeable at the applicable normal rates plus surcharge and Education Cess and Secondary and Higher Secondary Education Cess.

9. Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million) for a minimum period of three years.
10. In accordance with section 54F of the Act, long-term capital gains arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual or Hindu Undivided Family:
 - a. Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - b. Purchases another residential house within a period of one year after the date of transfer of the shares; or
 - c. Constructs another residential house within a period of three years after the date of transfer of the shares; and
 - d. The income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head Income from house property.

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head-Capital Gains of the year in which the residential house is transferred.

D. Foreign Institutional Investors (FIIs)

1. In accordance with section 10(34) of the Act, dividend income declared, distributed or paid by the domestic company (referred to in section 115-O) will be exempt from tax.
2. In accordance with section 115AD of the Act, FIIs will be taxed at 10% (plus applicable surcharge and education cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if Securities Transaction Tax is not payable on the transfer of the shares and at 15% (plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess) in accordance with section 111A on short-term capital gains arising on the sale of the shares of the Company which is subject to Securities Transaction Tax. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be charged at the rate of 30% plus applicable surcharge and Education Cess and Secondary and Higher Secondary Education Cess, as applicable. In accordance with section 10(38) of the Act, any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to Securities Transaction Tax.

3. As per the provisions of Section 90(2) of the Act, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.
4. Under section 196D (2) of the Act, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.
5. Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain Long term specified asset within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million) for a minimum period of three years.

E. Persons carrying on business or profession in shares and securities.

Under section 36(1)(xv) of the Act, Securities Transaction Tax paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head – “Profits and Gains of Business or Profession”. A non-resident taxpayer has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial (section 90(2) of the Act).

F. Mutual Funds

Under section 10(23D) of the Act, exemption is available in respect of income (including capital gains arising on transfer of shares of the Company) of a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 or such other Mutual fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to the conditions as the Central Government may specify by notification.

G. Venture Capital Companies/Funds

In terms of section 10(23FB) of the Act, income of:-

1. Venture Capital company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992; and Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992, from investment in a Venture Capital Undertaking, is exempt from income tax.
2. Exemption available under the Act is subject to investment in domestic company whose shares are not listed and which is engaged in certain specified business/industry.

H. Under the Wealth Tax and Gift Tax Acts

1. “Asset” as defined under section 2(ea) of the Wealth-tax Act, 1957 does not include shares held in a Company and hence, these are not liable to wealth tax.
2. A. Gift of shares would not attract gift tax as such.

However, pursuant to section 56 (2) (vii) of the Act, if shares of the company, the fair market value whereof is more than Rs. 50,000, are transferred by the shareholder of the Company to a Hindu Undivided Family or any individual who is not a relative as defined in the explanation to section 56(2)(vi) of the Act, without consideration or for an inadequate consideration, then, the fair market value of the shares or the difference between the fair market value of the shares and the actual

consideration, as the case may be, shall be included in the taxable income of the transferee and taxed as per the provisions of the Act.

B. After the shares of the Company are listed, transfer of the shares of the Company by any person to any partnership firm, Limited Liability Partnership or closely held company would not attract tax liability under section 56(viia) in the hands of the transferee in a case where the transfer is effected without any consideration or for an inadequate consideration.

I. Security Transaction Tax (STT)

STT in respect of any taxable securities transaction shall be collected from the seller or the buyer, on the value of such transaction, by every recognised stock exchange in India or the prescribed person in case of any Mutual Fund, at the rate notified.

J. Tax Deduction at Source

1. No income-tax is deductible at source from income by way of capital gains under the present provisions of the IT Act, in case of residents. However, as per the provisions of section 195 of the IT Act, any income by way of capital gains, payable to non residents (other than long-term capital gains exempt under section 10(38) of the IT Act), may be eligible to the provisions of with-holding tax, subject to the provisions of the relevant tax treaty. Accordingly income tax may have to be deducted at source in the case of a non- resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assesses unless a lower withholding tax certificate is obtained from the tax authorities. As per section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to Foreign Institutional Investor.
2. As per the provisions of Section 206AA of the IT Act, notwithstanding anything contained in any other provisions of this Act, any person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB shall furnish his Permanent Account Number to the person responsible for deducting such tax, failing which tax shall be deducted at the higher of the following rates, namely:\
 - a. At the rate specified in the relevant provisions of this Act,
 - b. At the rate or rates in force,
 - c. At the rate of twenty percent.

The characterization of the gains/losses in the hands of the shareholder, arising from sale of shares, as capital gains or business income would depend on the nature of holding and various other factors.

Special Tax Benefits to the Shareholders of the Company

There are no special benefits accruing to the Shareholders of the company.

Notes:

1. The above statement of possible tax benefits are as per the current direct tax laws relevant for the assessment year 2012-13. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
2. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

4. Direct Tax Code Bill 2010, which is going to substitute the existing Indian Income-tax Act, 1961 (herein referred as IT Act) and Wealth-tax Act, 1957 is placed before the Parliament and is not considered in the above statement.

For S.P. Jain & Associates

Chartered Accountants

Firm's registration number: 103969W

Kapil K. Jain

(Partner)

Membership No.: 108521

Place: Mumbai

Date: December 24, 2013

SECTION IV –ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with 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. You should read the entire Prospectus, including the information contained in this section titled “Risk Factors” and “Financial Statements” and related notes beginning on page no 12 and 143 respectively of this Prospectus before deciding to invest in this Equity Shares.

Indian Economy

The Indian economy is passing through a real difficult time caused by industrial slow-down, persistent food inflation at near two digit level, unsustainable Current Account Deficit (CAD), and rupee depreciation, among other factors. This economic slowdown is not unique to India but a global phenomenon. The International Monetary Fund has recently revised estimated global growth forecast for 2013 to 3.1% from 3.3% mainly due to weak performance by emerging markets, and has cautioned a further slow-down if the US eases its monetary stimulus.

India’s industrial output contracted by 1.6% in May 2013 with both Basic, and Capital Goods industries showing a negative growth. The prospects of monetary easing by RBI in the near future remain uncertain, due to WPI inflation edging up to three month high at 4.86% in June 2013 sudden depreciation of the rupee, and the rise in the CAD at over 6% of GDP.

The OECD’s Composite Leading Indicators (CLIs) which predicts the direction of the economy’s movements in the months to come, estimates India’s growth prospects to remain below trend. India’s CLI measured at 97.7 in January 2013 came down to 97.3 in February, March and April and increased marginally to 97.6 in May 2013. OECD observes that India’s growth momentum can be regained by following measures that can lead to speedy approval of projects, reduced regulatory burden on companies, and further deregulation of the economy that promote competition.

Keeping in mind the current economic scenario, the Government has started taking steps to deal with supply side constraints. In order to boost infrastructure investment, a Steering Committee of Secretaries under the Chairmanship of Prime Minister’s Principal Secretary has set an investment target of Rs 1 lac crore to be incurred in next six months. A fresh round of reforms has been announced by the government to encourage capital inflow and boost business sentiments. FDI caps have been raised for various sectors, with the FDI ceiling raised from 26% to 49% for most sectors, and allowing foreign investment through automatic route. It is expected that Indian Corporate to respond to these policy initiatives in right earnest and contribute towards a faster economic recovery.

Source: Volume 26, June 2013, Monthly Newsletter, Ministry of Corporate Affairs.

Industry Overview

Valves are used to control or divert the flow of liquids, gases, slurries, dry material or steam in all types of industries. They are also used to control or isolate the rate of flow volume, pressure, direction or a combination of these parameters. There are only two known ways of controlling the flow of liquids and gases, and all valves are based on one of the two principles. Consider an overhead tank with water flowing out from an outlet pipe near the bottom.

One way to stop/control the flow is to put a block against the flowing medium and the second way is to squeeze the outlet pipe shut if the pipe is flexible. Modern Industrial valves have come a long way from the simple cock used to control the flow of water in older times and are now available in sophisticated configurations and can even be operated by remote signals from satellites. Modern process plants use valves to control various parameters including flow, volume, pressure and temperature and can also be used for mixing different flow media.

Valves have many uses, including controlling water for Irrigation, industrial uses for controlling processes, residential uses such as on / off and pressure control to dish and clothes washers and taps in the home. Even aerosols have a tiny valve built in. Valves are also used in the military & transport sectors. Valves are found in virtually every industrial process, including water and sewage processing, mining, power generation, processing of oil, gas and petroleum, food manufacturing, chemical and plastic manufacturing and many other fields.

Global Scenario

The global industrial valves market is set to rise in the ensuing years, as the industry begins to emerge out of the adverse impact of the global economic recession. It is estimated at around US\$ 71 billion and is expected to grow by 5.4% per year and will reach to \$ 93 billion through the year 2015. All core sectors require valves for expansion of capacities, maintenance and repair of plants. The demand for valves is growing at a fast pace globally. In addition, the industry in the developed countries is in a consolidation phase with large companies purchasing family owned businesses and at the same time establishing manufacturing plants in the low cost countries like China and Korea.

Surging requirement for resources across the globe and investments in emerging economies such as India and China are expected to strengthen market potential. The upward population trend in developing regions, including China and India, would emphasize requirement for supply of clean potable water, leading to greater investments. The demand for energy resources, especially power in African and sub-Saharan areas, would also attract increased investments.

The US represents the single largest market worldwide for industrial valves, as stated by the new market research report on Industrial Valves. The valves market is rather mature in technologically advanced regions, including the US, Japan, and Western Europe. In mature markets such as the US, retrofitting markets represent a major revenue driver for the valves industry. As Asia is the most arid region in the world, desalination and demand for valves to manage corrosive seawater is higher than in other regions. Installation of scrubber systems and catalytic systems in power plants would boost valves market, as more than US\$1.0 million worth valves are required for each scrubber system. China is planning to invest millions of dollars in power plant scrubbers and construct new coal-fired power plants.

The valve industry being an intermediate industry is completely dependent on the growth of the core sectors of the global economy. Therefore, with an expected growth in the oil and gas, power, pipeline, steel, infrastructure, petrochemicals and pharmaceutical industries, the demand for valves are also expected to gather steam. Valve companies are finding many new opportunities for their products. Applications with double-digit growth include ethanol, LNG, desalination, and biotechnology. Alternative fuel sources including oil sands, oil shale and coal liquefaction also represent promising markets

(Source: http://www.prweb.com/releases/industrial_valves/globe_ball_control_valves/prweb4708564.htm)

Indian Scenario

Indian valve industry has come a long way from making simple valves to producing a wide range of sophisticated precision valves. But the Indian valve space is as fragmented as the Global Valve Industry. Most of the industry is dominated by small and medium scale players with heavy dependence on sub contractors and a large part of the market consists of the unorganized sector.

The competition within the industry can be broadly classified by usage -- domestic usage or industrial usage. In the domestic valves segment, the products, being of standard specifications, are easily manufactured by industries in the unorganized sector and valves from China and other countries are also abundantly available in the market. The industrial valves segment buyer is an informed buyer who specifies product and quality needs and in majority cases, valves are custom built to the end users' specifications. The complexity of design and stringent quality requirements are met by only a few major valve manufacturers. These manufacturers have successfully produced quality goods and built a brand image over the years.

There is a wide variation in size, materials, and function among the varied valve applications. As a result of which valve manufacturing is a fragmented business. Many companies specialize in just one valve type or even more narrowly in one sub segment of a valve type. Because of the diversity of needs it is likely that this specialization will continue. In turn, there will continue to be large numbers of companies participating in the market.

The demand for valves is witnessing growth in almost all areas. All core sectors of industry require various types of valves for expansion of capacities, de-bottlenecking or routine maintenance and repairs of plants.

Major demand for pumps and valves is from installations in end-user industries of oil and gas, water and wastewater treatment plants and fertilisers, while power generation, and heavy industries like cement and metal, which had driven growth in earlier years, are at the moment experiencing a slowdown. Commensurate to the vastness of the Indian end-user industry and the range of applications involved in each segment, the demand for *flow control equipment* is also high. Large-scale installations are witnessed every year and the demand continues to pick up at a healthy double-digit growth rate.

(Source:http://www.engrreview.com/Editorial_pages/2013/01/ER0113_Market-Monitor_10.html)

While a few home-grown companies like L&T Valves, Audco India Limited, Precision Valve India Limited and Bharat Heavy Electricals Ltd (BHEL) do figure in the list of top Indian manufacturers, while factors like limited technology, know-how and financial constraints have impeded the growth of many others. The presence of the unorganised segment is also significant in the valves market. Complex design and relatively higher capital required for manufacturing has resulted in the industry being dominated by multinational companies.

(source:<http://www.ipfonline.com/IPFCONTENT/articles/technical-articles/pumps-and-valves-preparing-for-challenges-ahead.php>)

Over the coming years, competition in the industry is only expected to get more intense, with many multinational companies are setting up operations in India. Existing multinationals are investing in realigning themselves to aggressively target the burgeoning Indian markets and with India having a huge number of unorganised players, they are bound to be affected by the technological changes that are taking place.

India's valves industry, estimated at Rs 10,000 crore, is expected to grow at 7-8 per cent per annum after a flat growth this year and exports too will expand at a healthy rate, experts said. Currently, 85 per cent of the valves demand in India is met indigenously, while the balance is imported and the exports are anticipated to rise from 10-12% per annum.

(SOURCE: http://www.engrreview.com/Editorial_pages/2012/05_May_12/ER1205_Market-Monitor_07.html and <http://www.thehindubusinessline.com/industry-and-economy/valves-industry-expected-to-grow-at-78-per-cent/article4188566.ece> and <http://www.epcworld.in/epcnews/indian-valve-industry-to-shoot-up-by-7-8-export-to-rise-by-10-12.aspx>)

Demand for Valves in Various Sectors

The Indian valve industry will continue to grow at 7-8 per cent per annum while exports may grow at 10-12 per cent per annum due to India becoming competitive compared to manufacturers in Japan, Europe and USA.

The continuing drive in process industries to lower costs by increasing efficiency bodes well for the Indian industrial valves market. Both domestic and multinational industrial valve manufacturers are focusing on expanding their manufacturing capacities to gain market share in the intensely competitive market.

New analysis from Frost & Sullivan, Analysis of the Indian Industrial Valves Market, finds that the market earned revenues of around INR 3,880.5 crore in 2011, which is estimated to cross INR 5,757.1 crore by 2016, owing to the demand from power and oil and gas industries.

"The need for higher process efficiency stokes demand for actuated valves in new installations as well as for retrofitting manual valves with actuation in brownfield installations," said the Frost & Sullivan Industrial Automation & Process Control Analyst.

Further, the widening gap between demand and supply of power is compelling the Government to roll out initiatives to increase power generation capacity. Higher investments in power generation, city gas distribution (CGD), and pipeline as well as refining projects translate to higher sales of industrial valves.

Although opportunities abound, the presence of a large number of unorganized manufacturers (around 40 percent) that are not part of a tax net decreases the revenue and valuation of the market, which has around 600 valve suppliers. Around 80 percent of this large group of suppliers is region and district focused, hindering the entry of national and international valve suppliers. This dilutes the market share of the key suppliers and shrinks the profit margin.

"In the interest of sustainability, industrial valve manufactures have to widen their range of offerings and regions of operation, as Indian consumers seek the most suitable product to enhance their process efficiency," noted the analyst.

Industrial manufacturers can also improve their market share by laying emphasis on R&D to develop their ability to provide customized valves. Further, they may establish a sophisticated manufacturing set up and present success stories that validate their capability.

<http://www.frost.com/prod/servlet/press-release.pag?docid=275839195>

Power Sector: Approximately 5000 – 5500 no. of different types, class, size and material of Valves are required for each typical Super Critical Unit of Power Plant which must be supplied at right time with respect to the stringent Project execution schedule. Given the capacity addition program of GOI in the 12th Five Year Plan, total quantum of valves required by various ongoing and upcoming power projects are over 800,000 which is enormous challenge for the Valve Industry.

Chemical and Petrochemical Processing Industries (CPI): Chemical and Petrochemical Processing Industries (CPI) involved in production of hazardous chemicals such as chlorine, phosgene and HF alkylation, require high performance valves governed by strict specifications. Within these industries the manufacturing of bulk chemicals is often a batch-controlled process using automated, frequently cycled valves. The share of chemical industry in valve market is 12.46%.

Source: <http://www.flowserve.com/files/Files/Literature/FCD/ProperActuatorSizing.pdf>

Oil & Gas Sector: The Indian Oil and Gas (O&G) sector is one of the six core industries of India and contributes over 15 per cent to the Gross Domestic Product (GDP). The country is the sixth largest consumer of oil in the world and the ninth largest crude oil importer.

The sector is of immense importance to the economy owing to its significant forward integration with many other sectors. India is committed to boosting its growth in the years to come and this progress would translate into the country's energy needs growing many times. The need of the hour, therefore, is to channelise all efforts on exploration of new blocks effectively as well as efficiently.

The growing demand for crude oil and gas in the country coupled with policy initiatives of the Government of India towards increased E&P activity has given a great impetus to the growth of this sector.

Oil Ministry's PPAC forecasts fuel consumption at 155.63 MT. Demand for diesel, which accounts for 45 per cent of the fuel consumption in India, is projected to grow by 8.3 per cent to 70.1 MT (It was previously projected to grow by 5.9 per cent). PPAC projects a 5.5 per cent growth in petrol demand (at 15.82 MT).

Furthermore, India's natural gas demand is likely to more than double to 473 million standard cubic meters per day by 2016-17 with most of the additional demand coming from power plants, according to Oil Ministry's projections for the 12th Five Year Plan (2012-13 to 2016-17).

The oil and gas industry is the largest revenue generator for the industrial valves and actuators market, globally. As a result, the exploration of new oil and gas fields, with the corresponding increase in investments in refineries and pipelines in key growth regions, is likely to have a high impact on market prospects. The market will also benefit from the rising demand for automation and infrastructure modernisation.

Source: www.ibef.org and <http://www.frost.com/prod/servlet/press-release.pag?docid=276391583>

Steel Sector

India is currently the world's fourth largest producer of crude steel and is expected to move ahead of its competitors (the US and Japan) in a couple of years.

Steel industry mainly derives its demand from other sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes etc. Thus its intense integration with other important segments makes it a strategic focus area for the Government as well.

India's steel production grew by 2.5 per cent to 39.63 MT in the six month period January-June 2013 as against 38.68 MT in the same period in 2012. During the same period, world crude steel production was 789.8 MT, recording an increase of 2 per cent.

The growth in the Steel Industry will spur the growth of the Valves Industry.

BUSINESS OVERVIEW

In this section “Our Company” refers to the Company, while “we”, “us” and “our” refers to our Company

Our Company, an ISO 9001-2008 certified company, is engaged in the business of manufacturing carbon steel and stainless steel industrial valves of various types & sizes ranging from 15mm up to 4000mm. We manufacture and supply various types of ball, butterfly, globe, gate and check valves and have a significant customer base in the steel industry. We also supply our products to customers in the oil and gas (including petro-chemical) industry, infrastructure (including pipelines), process industries (including pharmaceuticals, chemicals, intermediaries and fertilizers), nuclear space and defence industry.

Our Company is a manufacturer of high quality valves. We have our manufacturing facilities at Wada, to suit most of the piping related requirements. Most of our valves are tailor made to meet our customers’ specific requirements. We work in close tandem with our clients to match our valves to their most complex applications. Our valves have proved suitable, right from providing 3 millisecond cycling time, to the most secure Safety Valves for the utmost critical requirements. Many of our design innovations have been the direct result of working closely with our customers’ to solve difficult applications at their end.

Our Company was founded in the year 1997 by Mr. Pradeep Badkur and Mr. Ignatious Inasu, who collectively have over 40 years of experience in the valve industry. We commenced our manufacturing operations in 1997 at Nirmal Ashish Industrial Estate, Asangaon. Starting with two galas, in the year 2007 our facilities were spread over five galas with an outshed. To consolidate our operations, we moved operations to our state-of-the-art manufacturing unit located at Wada, Maharashtra, which was acquired by us in the year 2012.

Our manufacturing facility is spread over an area of approximately 12000 sq mts and is equipped with standard machines suitable for carrying out our manufacturing operations smoothly and efficiently. Our products are supplied under the brand “CHEMTECH” to our customers in India and abroad.

Our company took up the business of trading in steel wire rods in the year 2012-13.

We have received industry and client recognition by way of specific accreditations and certifications which bear a testimonial to our capability to deliver and supply our products to a wide range of customers. We have obtained ISO -9001:2008 certification for quality management system issued by SWISS CERT Pvt. Ltd. SWISS CERT is accredited by National Accreditation Board for Certification Bodies (NABCB) for 9000 Certification & by (Dubai Accreditation Centre) DAC for ISO 9000 & 14001 certifications. Our Company has been granted the status of an “Approved Manufacturer”, “Approved Supplier”, or “Approved Vendor” by several leading steel companies, oil & gas companies, fertilizer companies and engineering consultants. Further, several of our product lines and products have been tested and approved by leading companies for supply to them.

It is important for us to retain direct contact with the contractors and end users and we have evolved a suitable system of sales and distribution system for the same. This has enabled us to achieve sales growth with geographical/ contractual constraints. Our designing capability to innovate enables us to meet the changing customer needs.

We believe that our growth has been due to our ability to understand customer needs and build a product of optimal design. As is reflected in our restated revenue which has grown from Rs 1677.02 lacs in Fiscal 2012 to Rs 2273.77 lacs in Fiscal 2013, which is an increase of 35.58% and our restated profit after tax has increased from Rs 71.90 lacs in Fiscal 2012 to Rs 87.43 lacs in Fiscal 2013, this is an increase of 21.60%. For the 8 months period ended as on November 30, 2013, our Company’s restated revenue and restated profit after tax was Rs. 2574.64 Lacs and 7.13 Lacs respectively.

Our Competitive Strengths

1. Fully Integrated Manufacturing Facility

Our manufacturing facility is fully integrated and self-sufficient. The raw materials and consumables are readily available. Further, all other utilities like fuel, power and human resources have posed no hurdle till date. All the equipment required for manufacturing the products are in place.

2. Experienced Management team

Our Company is managed by a team of professionals led by Chairman, Mr. Pradeep Shikharchand Badkur, who has over 15 years of experience in this business. We believe our growth strategy in combination with management's demonstrated ability to consistently meet the customers' high expectations for quality and reliability, serves as a foundation for future revenue growth and stable operating profit. The promoter and Senior Management team of our Company has significant industry experience and has been instrumental in the consistent growth of our Company's performance. For further details on education, experience and other details of our Management and Key Managerial Personnel, kindly refer to the Chapter titled "Our Management" beginning on page 115 of this Prospectus.

3. Continuous focus on developing novel and innovative products

For any company, innovation and technical progress are key factors for its success in the long term. Our Company constantly encourages its people to innovate and develop new products for catering to demands of our customers. We are in constant touch with our clients in order to assess their requirements for increasing their process efficiency. This has helped our Company to become a Solution Provider and not just a manufacturing concern.

4. Strong Customer-Base

We have long-standing relationships with our customers for whom we have executed repeat orders over an extended period of time, which we believe have been established and are strengthened by the dedicated infrastructure and our ability to meet Clients' requirements for customized products. Our customers include leading steel plants, government companies, engineering companies and EPC contractors.

In order to strengthen our relationship with our customers, we have appointed authorized representatives/ channel partners of the company at most of our major client/consultant locations for handling day to day activities at their respective location. We also have representatives at various major cities. These representatives channel partners are responsible to generate business from their respective geographical region, liaising with existing customers, solving their queries and providing after sales service to the client. All the activities are taken place in close co-ordination with the client. Necessary technical help is provided to our representatives for conducting business on our behalf.

5. Technical expertise and vast industry experience

All our Promoters are experienced in our line of business. Further we have employed professionals having technical and commercial backgrounds. Our Company feels that the strength of any successful organization lies in both, the experience and guidance of its team leaders and the efficiency and technical capability of the staff. A lot of care has been taken in choosing the right people for right job.

6. Quality Assurance and Standards

Our company believes in imbining stringent quality standards in all our processes and products. Our company has been accredited with ISO 9001-2008 certification. Our company is dedicated towards quality of our products, processes and inputs. We adhere to quality standards as prescribed by our customers, which enable us to maintain our brand image in the market.

Details of Our Business Operations

Location

Registered Office:

Our Registered office is situated at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400 078.

Manufacturing Facility:

Currently, our manufacturing activities are carried out at facility located at Wada, Maharashtra.

For details on the aforementioned units and other properties owned/leased by us, kindly refer to “Our Business - Property” on page no 102 of this Prospectus.

Our Product Portfolio

We manufacture various types of valves which regulate the flow of fluids for use in various industries. Our primary products include ball, gate, globe, check and butterfly valves. In addition to the valves themselves we also manufacture actuator packages which enable these valves to be controlled from a remote location. We assemble automated valves which consist of valves fitted with actuator packages.

Products with specifications

Gate Valve



Features	Specifications	
Size: 1/2"~120" (15mm ~ 3000mm)	Design	ASME 16.34/BS 1414/ BS 5352 / API 600 / 603 /602/ IS 14846
Class: 150~2500	Face to Face	ASME B16.10 / DIN / IS /BS
C S / CI / SS / Alloys /Monel / Hast Alloys / Fabricated Material Construction	End to End	SW /BW Type / Flanged End /RTJ
Manual Operated / Gear Box / /Pneumatic / Electrical Actuator	End Flange	ASME B16.5 / B16.47/DIN / BS / IS /JIS
Solid / Flexible Wedge / Parallel / /Double Disc	BW End	ASME B16.25
Stem Protector, Linkage ,Chain Pulley and Bypass arrangement on request	Test	API 598/ BS 6755
Specialty: Bellow Sealed , Cryogenic and High Temp	Pneumatic Test	API 598/ BS 6755
Metal to Metal and Metal to Soft seat	Special	NACE MR-01-75
Size: 1/2"~120" (15mm ~ 3000mm)	Design	ASME 16.34/BS 1414/ BS 5352 / API 600 / 603 /602/ IS 14846

Ball Valve



Features	Specifications	
Size ½”~24” (15mm ~600mm)	Design	ASME 16.34/BS 5351/API 6D
Class 150~1500	Face to Face	ASME B16.10
Single / Two / Three Pieces Cast Steel Body	End to End	Wafer Type / Flanged
Trunion / Floating Ball, Full & Reduced Bore	End Flange	ASME B16.5 / DIN / BS / IS
Anti-Static Device	BW End	ASME B16.25
Blow-out Proof Stem	Test	API 598/ BS 6755
Fire Safe Design	Fire Safe Test	API 607/API 6FA
Low Emission	Special	NACE MR-01-75
Actuation, Hand lever, Gear Box , Pneumatic/Electric Actuator	Speciality	Metal to Metal Seat

Globe Valve



Features	Specifications	
Size: 1/2"~16" (15mm ~ 400mm)	Design	ASME 16.34/BS 1873/BS 5352
Class: 150~2500	Face to Face	ASME B16.10 / DIN/ IS
C S / CI / SS / Alloys /Monel / Hast Alloys / Fabricated Material Construction	End to End	SW /BW Type / Flanged End/ RTJ
Manual Operated / Gear Box / /Pneumatic / Electrical Actuator	End Flange	ASME B16.5 / DIN / BS / IS /JIS
Parabolic, Regulating, Throttle and Guide Type Plug	BW End	ASME B16.25
Straight, “Y” type, Angle Type	Test	API 598/ BS 6755
Specialty: Bellow Sealed , Cryogenic, High Temp and Bypass arrangement.	Pneumatic Test	API 598/ BS 6755
Metal to Metal and Metal to Soft seat	Special	NACE MR-01-75
18 “ NB (450mm) and above on request		

Butter Fly Valve



Features	Specifications
Type	Wafer, Lugged, Flanged
Face to Face	API 609, BS 5155, DIN 3202, IS 13095
Flange	DIN, BS, ANSI, IS
Mounting Flange	ISO5211
Pressure Rating	PN 2.5 ~ 25
Size	DN 40 ~ 2400
Actuation :Hand lever, Gear box, Pneumatic / Electrical actuator	
Application	HVAC, Water Supply & Sewag, Food & Beverage, Chemical/Petrochemical/Processing, Power and Utilities, Paper and Pulp, Ship Building and Steam
Specialty	3 way port, linkage actuation

Research & Development and innovation in the area of different valves is undertaken by our Company so as to meet the changing demands of the end users. Along with normal conventional gate, globe, butterfly, ball, plug, diaphragm, knife, gate, safety valves, our product line also consists of the flow control valves, special application or import substitutes valves like:

- Spectacle blind valve for easy and fast blanking during shutdowns.
- Dome valve for dry and wet ash.
- Double seat globe valve for erosion less high life seating.
- Choke valve for high-pressure drop across seating.
- Steam injection slide valve for on off cum safety valve.
- Piston valve for zero gland leaks.
- Rotating disc valve for gumming application or moisture entering stuck and jammed seats without lapping.
- Fabricated valve for very high sizes in 1000mm to 4000mm nb.
- Breather valve with flame arrestor for safe breathing on tanks refilling and discharges of precious and sensitive fluids.
- Linkage valve to operate many valves with single actuator.
- Triple offset butterfly valve.
- Angle globe valve for alumina slurry.
- Flush bottom valve for alumina slurry.
- Triple offset check valve with dashpot for silent long life sealing.
- Double block & bleed valve.
- Bellow sealed valve for zero gland leak & cryogenic services.
- Flow control valves in pressure balancing system.

Our Order Book

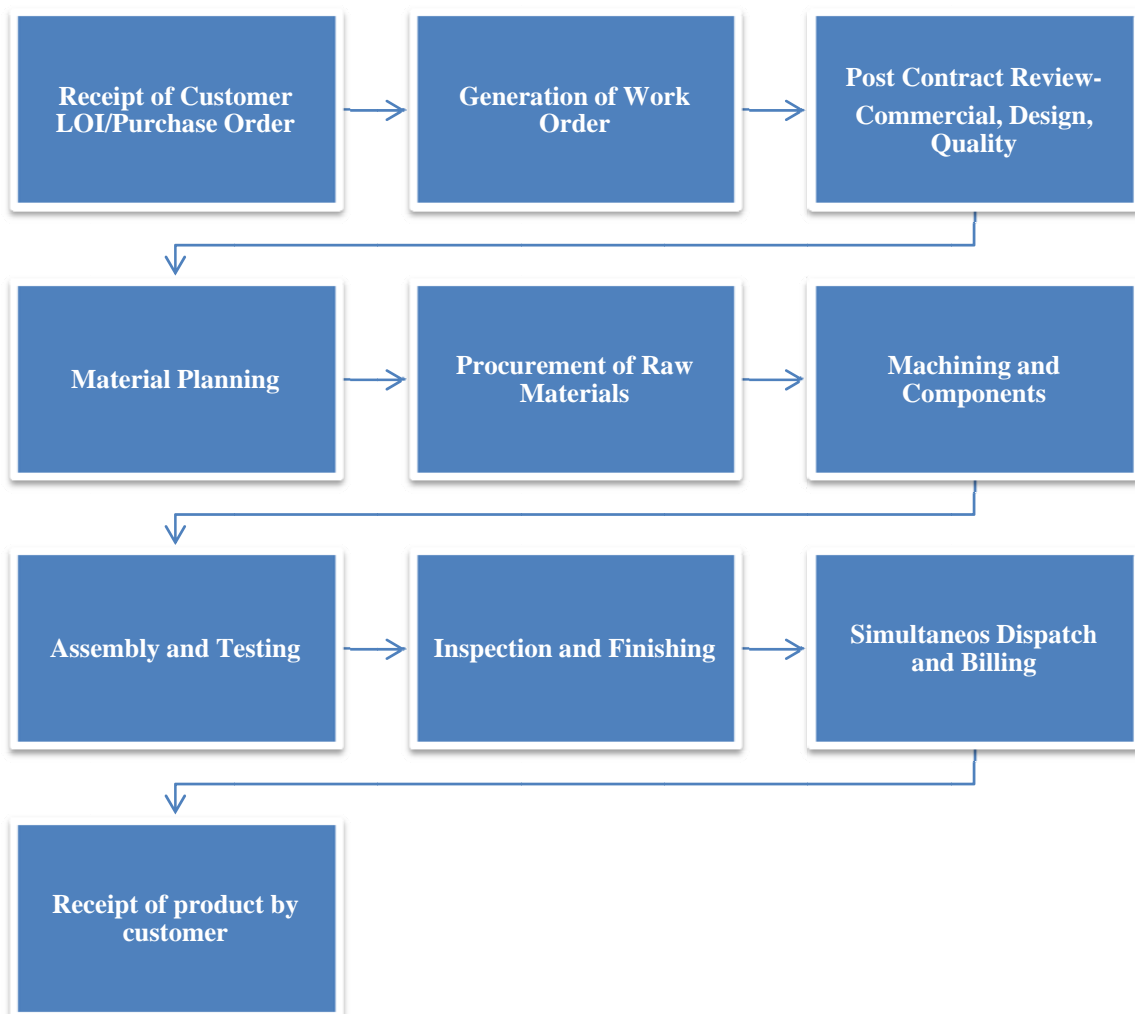
Our Order Book position consists of unbilled orders wherein we have either commenced production or are yet to commence production. For the purposes of this section, the term “Order Book” shall include order booked with us. Typically, in order to obtain an order from a prospective customer, we respond to their enquiry/ apply through tenders, discuss product specifications with them and make an offer to them. In the event the prospective customer wishes to accept the offer, it sends us a letter of intent or purchase order. Such letter of intent/purchase order specifies the quantity and quality of product ordered, the delivery schedule, pricing and other commercial and technical conditions.

Our Company generates an internal work order upon receipt of the letter of intent/purchase order from the customer. This work order is the trigger for execution of every order obtained by our Company. While our Order Book is indicative of the projects that we will execute in the future and is also indicative of the revenues that may be generated from such orders, the orders in our Order Book may not fructify as they are subject to cancellation and modification by our customers. For risks associated with treating our Order Book as being indicative of our future growth and revenues, refer to “Risk Factors” on page no 12 of this Prospectus.

As on August 26, 2013, Our Order Book position is approx Rs 964.36 lacs.

Our Manufacturing Process

A diagrammatic representation of our order receipt and execution is as under:



The process broadly consists of the following steps:

Simultaneous Review by Design and Quality Teams

Upon generation of a work order, our design and quality teams study the specifications of the work order. The design and quality teams are responsible for establishing the process to be adopted to manufacture the product, in terms of material used, testing, assembly, and painting.

Our design team evaluates the suitability and availability of materials agreed to be used, and design the product, in the event of it being a new product as compared to one previously manufactured by us. Sometimes customers specify unique requirements for the valves and the design team ensures that the product is designed in a manner that it would meet such requirements of the customer. The design team prepares a design of the product and the same is sent for approval of the customer. The design team prepares technical datasheet, raw material specifications and work instructions which are needed to execute a particular work order in accordance with the Bill of Material.

The quality team evaluates the work order to determine testing, third party inspections and technical delivery conditions based on customer requirements. Thereafter, they prepare a post contract review document, which specifies the details of material used, testing, assembly, and painting. In the event the customer has specified an inspection requirement, the quality team prepares an Inspection and Test Plan to specify the details of the inspection that will be carried out by the customer or third party. This Inspection and Test Plan is approved by the customer.

Our design and quality departments work in conjunction with each other for defining the customer requirements. This ensures that adequate checks and balances are identified and set in place to manufacture the product in accordance with the customer requirements.

Procurement of Raw Materials and Finished Components

We believe that timely procurement of suitable raw material of an appropriate quality at competitive prices is critical to ensuring our continued profitability and success.

We have a specialized materials purchase department which manages procurement for each of our orders. The primary raw materials/components for the end product are castings and forgings. The materials department develops a pattern to meet the specific requirements for the casting and forged components. This pattern is then issued to a selected forge shop which supplies the castings/forgings to us in accordance with our specifications. We select the forge shop based on its technical capabilities, capacity, delivery position and commercial competitiveness.

Based on the above inputs, our materials purchase department ensures that the raw material requirements for each order are fulfilled in a timely and cost effective manner. While we ordinarily conduct procurements on the basis of prevailing market prices, we have in certain cases bought materials in advance to minimize the impact of market fluctuations on price.

On receipt of material at our premises, we conduct quality checks to ensure that the material meets the requirements specified by us at the time of placing the order with them.

Material Planning

The Design Department makes the Bills of Material which is booked in ERP. Subsequently, the Enterprise Engine generates the requirement for materials to be procured after accommodating inventory on hand. The

Planning department does backward planning based on the routing to each process. The outer limit of delivery for each component is determined based on valve customer delivery date.

Machining (In-house or outsourced)

Our production department is responsible for carrying out machining operations. Once the castings are brought to our manufacturing plants, we conduct certain quality checks to ensure that they are in accordance with the specifications provided by us. Upon completion of these checks, we machine these components to the design specifications. Depending on the existing machining tasks in our manufacturing plant vis-a-vis our installed capacity, we at times outsource some machining activities to sub-vendors, who machine the castings/forgings in accordance to our specifications. We select sub-vendors based on their technical capabilities, capacity and delivery position.

We conduct inspection before these components are sent for assembly and testing.

Assembly and Testing

Upon completion of the machining and where needed, we treat the machined components either by way of buffing, phosphating or plating. Thereafter, we move them to the stores. Once all the components that are required to build the valve are ready, skilled workmen employed by us assemble the valves as per specified drawings and procedures. After assembly, the valves are pressure tested (water, air or gas) as per our Standard Operating Procedures. These tests ensure that our product is fit for use. In the event of the valve failing the stringent tests, we subject them to an analysis for corrective measures.

In the event the customer has ordered an automated valve, then the actuator is assembled and mounted on the valve. The selection of the actuator is based on the valve size and the customer specifications. Upon completion of this automated system, we test the same to ensure its operating performance.

Inspection, Finishing and Packing

After testing, the valves are finished to get the desired surface texture. The tested and accepted valves are dried with hot air and end protectors are provided to avoid any damages to the seats & ends. One coat of red oxide is painted on the ready valves after the removal of dust & rust. We conduct a visual inspection to ensure correct tagging, name plate fitting, end protection and general aesthetics. Often, customers require an additional inspection to be conducted either by themselves or appoint a third party to inspect the products.

Simultaneous Dispatch and Billing

Once our products are ready and packed, our dispatch department prepares a packing list and an excise invoice which is dispatched with the products to our customers. In addition, we send a copy of the packing list, insurance papers and testing certificates and operation and maintenance manuals, if needed, to our customer directly.

Plant, Machinery and Equipment

We believe that our strategic investment in equipment and fixed assets enables us to commit quicker deliveries to our customer. Our equipment is managed, maintained and operated by our staff at our manufacturing location.

Some of the equipment owned by us, though not limited includes: Lathe, cranes, drilling machine, milling machine, lapping equipment, hardness testing machine, flange clamping testing bench, multi stage testing bench, compressing testing machine ,welding machine.

Our installed capacities in respect of valves cannot be determined as these are variables and subject to changes in our product mix and utilization of manufacturing facilities, given the nature of our operations. The details of the machinery proposed to be bought from the proceeds of the proposed issue is as follows:

Our Company has earmarked Rs 332.00 lacs towards purchase of plant and machinery. A quotation dated August 1, 2013 has been received from SPM Machines (India) having office at D-133, T.T.C, M.I.D.C, Indl Area, Thane, Belapur Road, Nerul, Navi Mumbai -400 706. The details of the plant & machinery, their respective costs, the applicable taxes and duties are as follows:

Sr. No.	Particulars of Plant & Machinery	Rs in Lacs
1	Used Kolomna Double Column VTL 1540- Chuck: 3500mm Swing: 4000 mm Height: 1800mm: Weight:50Ton	295.11
	Taxes	36.89
	Total	332.00

The machinery proposed to be bought is second hand machinery. M.M. Vaidya & Co, Surveyors, Assessors and Valuers has vide their certificate dated August 28, 2013 certified that the machinery is in good condition and its estimated residual life of machine is more than 20 years.

Infrastructure Facilities

Raw Materials

The major components/raw materials required in the manufacturing process are:

- Castings
- Forgings
- Steel Plates
- Steel Rods
- Welding rod and Stud nuts

All the above mentioned parts/raw materials are procured from domestic market and are available in abundant supply. The Store Manager at our plants is entrusted with the assessment of raw materials requirements and based on the requirement, our Company calls for the quotations from several suppliers of raw materials. Suppliers are selected through the process of negotiation, after an initial assessment of their geographical location and the lead- time required in supply of the material. Our Quality control department takes up routine checks at the Vendors facility to ensure that the material being procured meets our stringent standards of quality.

Utilities

Our Company mainly requires the following utilities:

Power

The requirement of power for our operations is met through Maharashtra State Electricity Board's distribution source where the plants are located and from generator sets. MSEB has sanctioned 150 KVA of power supply at 22 KV to the factory premises at our present manufacturing facility.

Fuel

The requirement of fuel for operating the machinery/equipment is met by supplies from local market.

Water

Water required for the manufacturing and allied process is procured through the existing water supply network in that area or boring wells at the plant premises.

Effluent Treatment

Our Company does not generate any industrial effluents which is hazardous to the environment.

Enterprise Resource Planning

We are implementing ERP system customized by Innovia Software; Mumbai is under implementation at Company. This system covers the following functions:

- Sales
- Planning
- Purchase
- Stores
- Inventory
- Quality
- Production & Outsourcing
- MIS & Dashboards

The software would enable the management and co-ordination of all resources, information and functions of the business on real-time basis.

The ERP system would help in:

- Integration of different functional areas to ensure proper communication, productivity, quality and efficiency in decision making.
- Tracking of the revenue, cost and profit at a granular level.

Human Resource

We believe that we have a qualified and experienced employee base, managed by middle and senior management personnel.

As on November 30, 2013, we had 97 employees (including workers) at our plant and office. On satisfactory completion of six months' probation period employees are confirmed by us as permanent employees. This is HR Policy uniformly adopted across all personnel engaged in our management, staff and worker cadre. The permanent employees at our plants include personnel in manufacturing activities such as machine operations, assembling and testing of products, quality assurance, and receipt and dispatch of materials.

The employee strength of our Company as on November 30, 2013 is as follows:

Category	No. of Employees
Directors /KMP	12
Managers/Executives	26
Semi-skilled and Unskilled Labour/Staff	59
TOTAL	97

Apart from the above employees, we also employ casual labourers on daily wages basis. For details on our key managerial personnel, kindly refer to the chapters titled "Our Management" and "Government & Other Approvals" beginning on pages 115 and 208, respectively, of this Prospectus.

Trade Union

Our employees are a member of Shramjivi Kamgar Sangathana, Reg. No. U.A.Thane/1072/2006, Sane Guruji Prashikshan Sankul, Usgaon, Dongri, Post-Bhatane, Vasai. The Union and the Company has entered into an agreement to promote and improve the industrial and economic relations between the company, its employees and the union to establish a basic understanding related to rates of pay, hours of work and other conditions of employment and to provide means for amicable adjustment of all disputes and grievances.

Export and Export Obligations

Our Company has identified certain key export markets for its products Our Company has executed export orders for trading in steel wire rods. As on the date of the Prospectus, we do not have any export obligations.

Collaborations

As on the date of Prospectus, we do not have entered into any technical or other collaboration.

Marketing

The efficiency of the marketing and sales team is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with us for a long time. Our end consumers being industries or business houses, we require to visit them on regular basis. Mr. Badkur and Mr. Ignatious, through their vast experience and good rapport with clients are active in business development activities. Timely and delivery of quality products plays an instrumental role in creating and expanding a work platform for Chemtech Industrial Valves Limited. To retain our customers, our marketing team, which includes persons with a very vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of such customers. Orders are majorly obtained by bidding through tenders. For keeping track of tender notices, our Company has subscribed to online portals, which provides updates on the latest projects across various sectors in India.

Competition

We operate in a competitive environment. The valve sector sees a variety of competitors ranging from small niche players with specific experience to large, well established entities. Currently, the valve industry remains fragmented despite a number of acquisitions of entities. The demands position of our Company is further enhanced by purchasers imposing certain requirements wherein manufacturers are required to be pre-approved before being able to obtain an enquiry. These requirements essentially ensure that only manufacturers who have significant experience and technical expertise will be entitled to obtain enquiries.

There are no listed companies in the peer group which are strictly comparable to us with respect to the industry in which we operate and size of our Company, which can be taken as competitors. For details of other risks associated arising from our competitors, refer to "Risk Factors" on page no 12

Seasonality and weather conditions

Our business and our products are not dependent on seasons and weather conditions. The Industrial Valve Market is dependent on new capital expenditure being planned across various sectors such as steel, power, fertilizers, oil & gas, chemicals, nuclear, ship building etc. We do not see much fluctuations on a yearly basis as typical project cycles are of generally 4-5 years.

Business Strategy

As a business strategy, we believe in strengthening our position in the domestic market and explore international markets by adopting competitive marketing strategy and increasing customer and product base. As part of this strategy, our Company has since incorporation been into the manufacturing of valves and in the fiscal year

2013-14, it has ventured into the business of trading internationally. Our Company has been appointing representatives across the country for liaising with the existing customers and developing new customers. Our company enjoys a steady market and is confident of marketing its product.

Research in process and product to ensure the best manufacturing practices for maintain high quality standards so as to enhance competitiveness in the markets is one of our goals. Research and Development will enable us to create a niche and consolidate our competitive edge in the market.

Health safety and Environments

Our activities in the state of Maharashtra are subject to wide range of government rules and regulations regarding health, safety and environment protection. We are committed to protecting the health and safety of employees and contractors working in our factories, people who come in contact with our operations and the health and sustainability of the environment in which we operate.

We believe that ensuring the health and safety of our employees is critical to the successful conduct of our business and operations. We are therefore committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. Our Company has subscribed to Star Health and Allied Insurance Companies’ “Tailor made Group Personal Accident Insurance” Policy covering forty workers at the factory.

Insurance

We maintain insurance for standard fire and special perils policy and burglary policy for cover against loss or damage by fire, Lighting Explosion/ Implosion, Impact Damage, Aircraft Damage, Riots, Strike & Malicious Damage, Storm Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood & Inundation, Subsidence, Landslide (Incl. Rock Slide)Damage, Bush Fire, Bursting and Overflowing, of Water Tanks, cover against loss or damages by Burglary, theft or housebreaking, which we believe is in accordance with customary industry practices. We have also availed out various insurance policies to cover out vehicles at our all offices and plants.

The following are the details of insurance policies taken by us:

Sr. No.	Name of the Policy	Policy No	Insurance Company	Location and Assets covered in policy	Coverage (Rs in Lakhs)	Expiry Date
1	Standard Fire & Special Perils Policy	124200/11/20 13/3902	The Oriental Insurance Company Limited	Gut no 37, Hissa No 3, Village Vadawali, Taluka – Wada, Thane -421302 Assets Covered Electrical fittings, electronic equipments, furniture, fixtures & fittings, Stock & Stk in process incl. raw materials and packing material, Building incl compound wall, plant & machinery, accessories, spare parts.	1740.00	27/02/2014
2	Office Umbrella Package Policy	124200/48/20 13/20962	The Oriental Insurance Company Limited	Location: 105, Hiranandani Industrial Estate, Kanjurmarg(W). Assets Covered	32.50	08/03/2014

				Furniture, fixtures , machineries, stationeries and electronic equipments,		
3	Burglary	124200/48/20 13/20843	The Oriental Insurance Company Limited	Location: Gut no 37, Hissa No 3,Village Vadawali, Taluka – Wada, Thane -421302 Assets Covered On Stock & Stock in Process including Raw Materials, Packing Materials	325.00	07/03/2014
4	Tailor Made Group Personal Accident Policy	P/171114/02/ 2013/000616	Star Health & Allied Insurance Company Limited	Accident cover for 40 persons	40.00	26/11/2014

Additionally, we maintain personal accident policies for few of our employees and take marine cargo voyage policy for the goods in transit.

However, the amount of our insurance coverage may be less than the replacement cost of all covered property and may not be sufficient to cover all financial losses that we may suffer should a risk materialize. Further, there are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us for which we may not be adequately insured. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our results of operations and financial position.

Our Intellectual Property

Trademarks for which the applications for registration under the Trademarks Act, 1999, have been filed by our Company are as stated below:

Sr. No.	Nature of License/Approval	Class	Application No.	Date of Application
1.	Trade Mark	6	2549165	15/06/2013
2.	Trade Mark	16	2549168	15/06/2013
3.	Trade Mark	35	2549169	15/06/2013

Land & Property

We own and lease certain properties. The brief details of the properties owned/leased by us are set out below:

Freehold Properties

Sr. No.	Description of Property	Area	Seller/ Vendor/ Developers Details	Purchase Consideration	Date of Purchase
1*	Industrial Land Land bearing Gut No. 37, Hissa No. 3, Area 1-20-0., Vadawali, Wada, Thane	12000 Sq. Mtrs together with structures of 4576 sqft shed standing thereon.	M/s Veltech Forging Pvt. Ltd.	Rs 1,55,00,000 (Rupees One Crore Fifty Five Lacs only)	October 18, 2012
2	Land bearing Gut No. 49, Hissa No. 3, Vadawali, Wada, Thane	OH-10R-5H	Shri Vasant Lodu Patil	Rs 6,30,000 (Rupees Six Lacs thirty thousand only)	June 07, 2012
3**	503, 5 th Floor, Sunrise Business Park, B-68, Road No. 16, Wagle Industrial Estate , Panchpakhadi Thane-400604	2451 Sq. Ft. .	M/s Quantum IT Park Private Limited	Rs 1,39,56,500 (Rupees one crore thirty nine lacs fifty six thousand and five hundred only)	March 30, 2013
2	Gala No. 12, Ground Floor, Nirmal Ashish Industrial Estate, Survey No. 135, Asangaon , Taluka Shahpur, Thane	890 Sq. Ft.	M/s Nirmal Land Developers	Rs 3,39,090 (Rupees three lacs thirty nine thousand and ninety only).	March 03, 1997
3	Gala No. 13, Ground Floor, Nirmal Ashish Industrial Estate, Survey No. 135, Asangaon , Taluka Shahpur, Thane	890 Sq. Ft.	M/s Nirmal Land Developers	Rs 3,39,070 (Rupees three lacs thirty nine thousand and seventy only).	March 06, 1997
4	Gala No.16 & 42 , Ground Floor, Nirmal Ashish Industrial Estate, Survey No. 135, Asangaon , Taluka Shahpur, Thane	1780 Sq. Ft.	M/s Nirmal Land Developers	Rs 6,78,180 (Rupees six lakh seventy eight thousand one hundred and eighty only)	May 20,1998
5	Gala No. 14, Ground Floor, Nirmal Ashish Industrial Estate, Survey No. 135, - Asangaon , Taluka Shahpur, Thane	890 Sq. Ft.	Shri Madhu Velayadhan Pillai	Rs 4,50,000 (Rupees four lakh fifty thousand only)	December 20, 2007

Leasehold Properties

Sr. No.	Location of property	Document and date	Lessor/ Licensor	Key Terms of the Agreement
1	105, Hiranandani Industrial Estate, KanjurMarg (West), Mumbai-400078, Maharashtra, India admeasuring 1000 sq ft	Leave and Licence Agreement dated July 29, 2013	M/s Badkur Blow Plast Containers Pvt. Ltd.	The tenure of this agreement is nine months @ a monthly rent of Rs 20,000/- . Further, the company will use the said premises for the purpose of running their business.
2***	Flat No. 1003, 10 th Floor, F-Wing , Dosti Vrishti, Dosti Vihar, Panchpakhadi, Thane (W) admeasuring 585 sq ft	Leave and Licence Agreement dated July 2, 2013	Mr. Kshitij Dabhade	The tenure of this agreement is eleven months @ a monthly remuneration of Rs 15,000/-

**We have applied to the Revenue Authorities for recording the name in the 7/12 Extract. However, the Revenue Authorities have not yet passed any order and the effect to the transaction has not been muted in the Revenue Records*

***Our Company has entered into Agreement to Transfer with the Seller.*

****The property has been taken on leave and license basis for accommodation of one of employee Mr.Sudhir Bhandare of the company.*

Our Company does not propose to acquire the land for the proposed objects. The entities/persons from which/whom our Company has acquired the land are not related to any of the promoters/directors of our Company. For details with respect to encumbrance/mortgage and approvals pending or applied, kindly refer to page no 184 for details of financial indebtedness and for details of Government approvals refer to page no 208 respectively.

KEY INDUSTRY REGULATION AND POLICIES

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

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 section titled "Government and Other Approvals" beginning on page 208 of this Prospectus.

INDUSTRIAL LAWS

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been Liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from Licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defence equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from Licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Indian Boiler Regulations, 1950

The Indian Boiler Regulations (IBR) was created in 1950 to enforce section 28 and 29 of the Indian Boilers Act of 1923. These Regulations generally apply to all boilers, including those working on the principles of natural circulation, forced circulation and forced flow with no fixed steam water line and to steam pipes. The regulations cover the following areas:

- Boilers – including feed piping from the discharge side of the feed pump and steam piping up to and including the stop valve of the steam consumer and attached fittings or vessels
- Steam receivers, separators, steam traps, accumulators and similar vessels
- Heat exchangers, converters, evaporators and similar vessels in which steam is generated

Bombay Shops and Establishment Act

The Bombay Shops and Establishment Act applies to shops and establishments within the State of Maharashtra and lays down guidelines regulating the hours of work, payment of wages, leave holidays, terms of service, overtime and other conditions of work of persons employed in shops, commercial establishments. It also discourages employers from engaging in any kind of malpractices towards their employees. This legislation governs our Company as the Company has its registered office in the city of Mumbai.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

LAWS REGULATING FOREIGN TRADE AND INVESTMENT

FEMA Regulations

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 of security to a person resident outside India. 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 thereunder, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Foreign Trade (Development and Regulation) Act, 1992

This statute seeks to increase foreign trade by regulating the imports and exports to and from India. This Legislation read with the Indian Foreign Trade Policy provides that no export or import can be made by a person or company without an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

WORKS AND LABOUR LAWS

Factories Act, 1948

Factories Act, 1948 is a social Legislation which has been enacted to regulate the occupational safety, health and welfare of workers at work places. This Legislation is being enforced by the Government through officers appointed under the Act i.e. Inspectors of Factories, Deputy Chief Inspectors of Factories who work under the control of the Chief Inspector of Factories and overall control of the Labour Commissioner.

Payment of Wages Act, 1936 ("Wages Act")

The payment of Wages Act, 1936 is a central legislation which applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than Rs 18,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

Minimum Wages Act, 1948 ("Minimum Wages Act")

The Minimum Wages Act, 1948 was enacted to provide for minimum wages in certain employments. Under this Act, the Central and the State Governments are the authorities to stipulate the scheduled employment and to fix minimum wages. The Act contains list of Agricultural and Non Agricultural employment where the prescribed minimum rate of wages is to be paid to the workers. The minimum wages are calculated and fixed based on the basic requirement of food, clothing, housing required by an average Indian adult.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Act is applicable to factories employing more than 20 employees and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with the provisions of the Act, the employers are required to contribute to the Employees' Provident Fund, the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the

employees. The employee shall also be required to make the equal contribution to the fund. A monthly return is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

Payment of Gratuity Act, 1972

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 Payment of Gratuity Act extends to the whole of India and is applicable to all factories, mines, oilfields, plantations, ports, railway companies and any establishments where 10 or more persons were employed on any day of the preceding 12 months and every Shop and Establishment of that State, in which 10 or more persons are employed, or were employed on any day in the preceding 12 months. 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 thereunder in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity -payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Payment of Bonus Act, 1965

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

Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Industrial Dispute Act, 1947 provides for the investigation and settlement of industrial disputes. It also contains various provisions to prohibit strikes and lock-outs, declaration of strikes and lockouts as illegal and provisions relating to layoff and retrenchment and closure, Conciliation and adjudication of industrial disputes by; Conciliation Officers, a Board of Conciliation, Courts of Inquiry, Labour Courts, Industrial Tribunals and a National Industrial Tribunal.

Trade Union Act, 1926

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

The Workmen Compensation Act, 1923

The Workmen Compensation Act, 1923 ("WCA") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused due to accidents arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation if personal injury, disablement either partial or total or loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the

course of his employment. In case the employer fails to pay compensation in accordance with the provisions of WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Industrial Employment (Standing Order) Act, 1946

Under the Industrial Employment Standing Orders Act, 1946 every establishment employing more than 50 employees is required to formulate rules and regulations for its employees and the same should be submitted for approval to the Deputy Labour Commissioner

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Equal Remuneration Act provides for payment of equal remuneration to men and women workers, for the same work and prevents discrimination on the grounds of sex against women in the matter of employment, recruitment and for matters connected therewith or incidental thereto.

The Maternity Benefit Act, 1961 ("Maternity Act")

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc.

Contract Labour (Regulation and Abolition) Act, 1970

The purpose of the Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment and to protect the interests of labourers who are hired on the basis of individual contracts. It applies to every establishment or contractor wherein 20 or more workmen are or were employed on any day of the preceding 12 months as contract labour. In the event that any aspect of the activity is outsourced and is carried out by labourers hired on a contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, 1970 will also be necessary.

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. The Act applies to all establishments and workshops wherein any industrial process is carried on, but does not apply to any factory to which Section 67 (Employment of Child Labour) of the Factories Act, 1948 applies.

ENVIRONMENTAL LAWS

Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 was enacted as a general legislation to safeguard the environment from all sources of pollution by enabling coordination of the activities of the various regulatory agencies concerned, to enable creation of an authority with powers for environmental protection, regulation of discharge of environmental pollutants etc. The purpose of the Act is to act as an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under previous laws, such as Water Act & Air Act. It includes water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, microorganisms and property.

Air (Prevention and Control of Pollution) Act 1981 ("Air Act")

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the Limits with regard to emissions and pollutants that are a direct result of any operation

or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in the state.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking) (ii) outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding pollution control Boards in the state.

Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Cess Act is a Legislation which provides for the Levy and collection of a Cess on Local authorities and industries based on the consumption of water by such Local authorities and industries so as to enable implementation of the Water Act by the regulatory agencies concerned.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of "hazardous substances" covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation.

CORPORATE LAWS

The Companies Act, 1956

The Act 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 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 respective provisions of the Companies Act, 2013 which has been notified on August 30, 2013 shall replace the existing provisions of the Companies Act, 1956, as and when the provisions of the Companies Act, 2013 are notified in due course. However, MCA has vide its notification dated September 12, 2013 notified 98 Sections which shall be applicable from the date of the above notification.

INTELLECTUAL PROPERTY LAWS

Trade Marks Act, 1999

The Indian Law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing Legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A mark may consist of a word or invented word, signature, device, Letter, numeral, brand, heading, Label, name written in a particular style and so forth. The trademark once applied for, is advertised in the trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

PROPERTY RELATED LAWS

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the “TP Act”) establishes the general principles relating to the transfer of property in India. It forms a basis for 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. It also provides for the rights and liabilities of the vendor and purchaser in a transaction for the sale of land.

Registration Act, 1908

The Registration Act, 1908 (the “Registration Act”) details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs. 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent.

The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

The Specific Relief Act, 1963

The Specific Relief Act is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

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. 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.

Indian Easements Act, 1882

The law relating to easements and licenses in property is governed by the Easements Act, 1882 (the “Easements Act”). The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created

by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local custom.

TAXATION LAWS

Income-tax Act, 1961

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

Central Excise Act, 1944

Excise duty is levied on production of goods but the Liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production.

Custom Act, 1962

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any Company requiring to import or export any goods is required to get registered and obtain an Importer Exporter Code (IEC) number.

Service Tax

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, every assessee is required to pay Service tax by 5th 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 by 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act (CST)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collected on and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

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 raw materials by a 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.

BUSINESS LAWS

Indian Contract Act 1872

Indian Contract Act 1872 is the main source of law regulating contracts in Indian law, as subsequently amended.

It is not a complete and exhaustive law on all types of contracts. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties. As per the provisions of the Indian Contract Act all agreements are contracts if they are made by the free consent of the parties competent to contract, for a lawful consideration and with a lawful object and are not expressly declared to be void. The parties to a contract must either perform or offer to perform their respective promises unless such performance is dispensed with or excused under the provisions of the Act or of any other law. When a contract has been broken the party who suffers by such breach is entitled to receive from the party who has broken the contract, compensation for any loss or damage caused to him thereby, which naturally arose in the usual course of things from such breach or which the parties knew, when they made the contract, to be likely to result from the breach of it. The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act.

Sale of Goods Act, 1930

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to carrier, duties of seller and buyer, buyers' right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Chemtech Industrial Valves Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 15, 1997 bearing Registration No. 105108, in Mumbai. Our Company was converted into a Public Limited Company pursuant to a special resolution passed by the members of our Company at an Extraordinary General Meeting held on January 29, 2013. A fresh Certificate of Incorporation consequent to change of name was issued on April 22, 2013 by the Registrar of Companies, Mumbai, Maharashtra. The name of our Company was accordingly changed from ‘Chemtech Industrial Valves Private Limited’ to “Chemtech Industrial Valves Limited” The Company’s Corporate Identification Number is U29299MH1997PLC105108.

Main Objects of our Company

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

“To carry on business as manufactures in engineering goods, machinery, valves, chemical processing and all kinds of processing equipments and industrial valves also to manufacture and get manufactured, buy, sell, distribute, import ,export and deal with stop valves, safety valves, reducing valves, stop and non- return valves, globe valves, wedge gate valves, non return (check) valves, feed check valves, water level gauges, parallel slide valves, ball valves, butterfly valves, stainless steel corrosion resistant valves, cast iron valves, self – lubricating taper plug valve, air valves, gun metal valves and diaphragm valves cast carbon steel valves, steel non return valves, automatic isolated valves, taper plug valves, boiler mountings, and accessories, pipe fittings.”

Our Company pursuant to Sec 149(2A) of the Companies Act, 1956 has adopted the business activities as covered under the other objects clause no 81(C) of Memorandum of Association namely:

“To carry on the business of and act as agents, distributors, ware merchants, traders, stockists, importers, exporters, and for that purpose buy, sell, market, distribute, or otherwise deal in commodities, goods, articles, materials and things of every description and kind including , ferrous & Non ferrous metal Automobiles parts, Ball and Roller Cotton cycle parts, machinery equipments, Fertiliser, Fishing, Food (Canned or otherwise), Glass hardware, pharmaceuticals, medicines, machineries and equipments, laboratory equipment, building construction materials, Nylon Synthetics, Packing materials, Paper and Pulp Products, Photographic Ra film and paper, PVC and Resins, Rubber goods, Steel casting, melting, Rolling and rerollings, Tea, Telecommunication systems, Textile Readymade Garments Timber products, Zipper, sizing and any other material.”

The Main Objects clause and the Objects incidental or ancillary to the Main Objects of our memorandum enable us to undertake activities for which funds are being raised through this Issue. The existing activities of our Company are in accordance with the Objects clause of our Memorandum of Association.

Changes in Memorandum of Association of the Company

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

Date of AGM/EGM	Nature of Amendment
March 06, 2000	The initial authorised share capital of our Company of Rs 5,00,000/-comprising of 50,000 equity shares each was further increased to Rs. 25,00,000/- divided into 2,50,000 equity shares.
October 07, 2005	The authorised share capital of our Company of Rs 25,00,000 comprising of 2,50,000 equity shares was further increased to Rs. 50,00,000/- divided into 5,00,000 equity shares.
February 01, 2011	The authorised share capital of our Company of Rs 50,00,000/- comprising of 5,00,000 equity shares was further increased to Rs. 1,00,00,000/- divided into

	10,00,000 equity shares.
January 29, 2013	The name of our Company was changed to the present name pursuant to which a fresh certificate of incorporation dated April 22, 2013 was issued by the Registrar of Companies, Maharashtra, Mumbai.
	The object of our Company has been changed to the present objects stated above.
	New Clause V (B) had been inserted in the Capital Clause of the Company.
May 16, 2013	The authorised share capital of our Company of Rs 1,00,00,000/- comprising of 10,00,000 equity shares was further increased to Rs. 12,00,00,000/- divided into 1,20,00,000 equity shares.

Change in Registered Office

Registered Office of our Company is situated at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400 078. There have not been any changes in our Registered Office from the date of incorporation of the Company to the date of this Prospectus.

Major Events and Milestones in the History of the Company

Period	Key Events
1997	Incorporated in the name and style of Chemtech Industrial Valves Private Limited
1997	Acquired Industrial Gala No. 12 and 13 at Nirmal Ashish Industrial Estate situated at Asangaon.
1998	Acquired Industrial Gala No. 16 and 42 at Nirmal Ashish Industrial Estate situated at Asangaon.
2007	Acquired Industrial Gala No. 14 at Nirmal Ashish Industrial Estate situated at Asangaon.
2008	Company accredited with “ISO 9001:2008” certificate from SWISS CERT Private Limited for Quality Management System.
2011	Company achieved turnover of Rs. 10 Crores.
2012	Acquired Land & Factory Building at Wada
2012	Consolidated our Manufacturing facilities at Wada
March 2013	Acquired office premises bearing no. 503 at “Sunrise Business park” situated at Wagle Industrial Estate, Thane.
April 2013	Converted from Private Limited Company to Public Limited Company.
June 2013	Paid up Capital crossed Rs 600 lacs

For information on the Company’s activities, market, growth, technology and managerial competence, please see the chapters “Our Management”, “Business Overview” and “Industry Overview” beginning on pages 115, 89 and 84 respectively of this Prospectus.

Awards, Achievements and Certifications

Other than the information disclosed in “Business Overview” on page 89 of this Prospectus, our Company has not received any awards/certifications.

Our Holding / Subsidiary Companies

Our Company does not have any Holding / Subsidiary Companies as on the date of filing of this Prospectus.

Issuance of Equity or Debt

Other than information as disclosed in “Capital Structure” on page 51 of this prospectus, our company has not issued any capital in the form of equity or debt.

Corporate Profile

For details pertaining to corporate profile, kindly refer the chapter titled “Business Overview” on page 89.

Defaults or rescheduling of borrowings

The Company has not defaulted or rescheduled any of its borrowing. Furthermore, none of the Company's loans has been converted into equity in the past.

Changes in the activities of Our Company having a material effect

There has been no change in the activities being carried out by our Company during the preceding five years from the date of this Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors, other than as information disclosed in the chapter “Business Overview” on page 89.

Acquisition of business or Undertaking in the history of the Company

There has been no merger or acquisition of businesses or undertakings in the history of our Company. There is no significant Cost/Time overruns in setting up projects of our Company till the date of this Prospectus.

Revaluation of Assets

Our Company has revalued its property, gala no 12,13,14,16 and 42 situated at Asangoan at fair market value as on 01.04.2011 at Rs 60,07,500/- as per the valuation report of an independent government approved valuers. Consequently, a revaluation reserve to the extent of Rs 36,93,762/- had been created.

Injunctions or Restraining orders

Our Company is not operating under any injunctions or restraining orders.

Strikes and lock-outs

Our Company has not been subject to any strikes or lock-outs

Number of Shareholders in the Company

As on the date of this Prospectus, the total number of holders of our Equity Shares is 7 (Seven).For further details of our shareholding pattern, please see “Capital Structure” on page 51 of this Prospectus.

Shareholders’ Agreement

There are no shareholders’ agreements relating to our Company’s shares or involving our Company to which either our Promoters or our Company is a party as on the date of this prospectus.

Other Agreements

Except the agreements entered into during the ordinary course of its business carried on or intended to be carried on, our Company has not entered into any other agreement and there are no material agreements entered into more than two years prior to the date of this Prospectus.

Strategic Partners

As on the date of Prospectus, our Company does not have any strategic partners.

Financial Partners

As on the date of the Prospectus, apart from the various agreements with bankers and lenders which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, we are required to have not less than 3 directors and not more than 12 directors. As on the date of this Prospectus, our Company has eight directors on the Board.

The following table sets forth the details regarding our Board of Directors as on the date of filing of this Prospectus with BSE:

Name, Designation, Age, Father's/ Husband's Name, DIN, Address, Occupation and Nationality	Date of Appointment and Term	Other Directorships
<p>Pradeep Shikharchand Badkur</p> <p><i>Designation:</i> Executive Director and Chairman</p> <p><i>Age:</i> 54</p> <p><i>Father's Name:</i> Mr. Shikharchand Badkur</p> <p><i>DIN:</i> 00036822</p> <p><i>Address:</i> C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p>	<p>January 15, 1997</p> <p>Term: Liable to retire by rotation</p>	<ol style="list-style-type: none"> 1. Badkur Blow Plast Containers Pvt Ltd 2. Marvellous Marketing Private Limited 3. Chemtech Infosolution Pvt Ltd
<p>Harsh Pradeep Badkur</p> <p><i>Designation:</i> Managing Director</p> <p><i>Age:</i> 25</p> <p><i>Father's Name:</i> Mr. Pradeep Shikharchand Badkur</p> <p><i>DIN:</i> 00676715</p> <p><i>Address:</i> C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p>	<p>Appointed as Director on September 30, 2010. Re-appointed as Managing Director with effect from May 16, 2013.</p> <p>Term: May 16, 2013 to May 15, 2018</p>	<ol style="list-style-type: none"> 1. Chemtech Instrumentation Service Pvt Ltd 2. Kamrich And Sons Properties India Pvt Ltd
<p>Ignatious David Chittatukarakaran Inasu</p> <p><i>Designation:</i> Whole-Time Director</p> <p><i>Age:</i> 55</p>	<p>Appointed as a Director on January 15, 1997.</p> <p>Re-appointed as Whole-Time Director with</p>	<ol style="list-style-type: none"> 1. Chemtech Infosolution Private Limited

<p><i>Father's Name:</i> Mr. David Inasu</p> <p><i>DIN:</i> 01750827</p> <p><i>Address:</i> A/606, Daivat Kalpanagri, Vaishali Nagar, Mulund West, Mumbai – 400 080, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p>	<p>effect from May 16, 2013</p> <p>Term: May 16, 2013 to May 15, 2018</p>	
<p>Mrs. Namrata Pradeep Badkur</p> <p><i>Designation:</i> Executive Director</p> <p><i>Age:</i> 47</p> <p><i>DIN:</i> 00119771</p> <p><i>Address:</i> C-201, Lake Castle Building, Hiranandani Garden, Powai, Mumbai – 400 076, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p>	<p>Earlier appointed as an Additional Director on November 01, 2010 . Re-appointed as Executive Director w.e.f. September 30, 2011.</p> <p>Term: Liable to retire by rotation</p>	<ol style="list-style-type: none"> 1. Badkur Blow Plast Containers Pvt Ltd 2. Shubharambh Properties Pvt Ltd 3. Panama Properties Pvt Ltd 4. Nimbus Properties Pvt Ltd 5. Navdarshi Properties Pvt Ltd 6. Parshwajit Properties Pvt Ltd 7. Gurucharan Properties Pvt Ltd 8. Nashik Estates Pvt Ltd
<p>Mr. Niranjay Amritlal Choudhary</p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Age:</i> 43</p> <p><i>DIN:</i> 01891472</p> <p><i>Address:</i> 2-A/203, 2nd Floor, Powai Vihar Building No. 2, Co-op. Housing Society Limited, Powai Vihar Complex, Powai, Mumbai – 400 076, Maharashtra, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p>	<p>August 08, 2013</p> <p>Term: Liable to retire by rotation</p>	<p>Nil</p>
<p>Dr. Rajnikant Hemchandra Panday</p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Age:</i> 73</p> <p><i>DIN:</i> 06611029</p>	<p>August 08, 2013</p> <p>Term: Liable to retire by rotation</p>	<p>Nil</p>

<p><i>Address:</i> 194, Shanti Niketan, Jawahar Nagar, Goregaon (W), Mumabi - 400 062, Maharashtra, India.</p> <p><i>Occupation:</i> Practising Doctor</p> <p><i>Nationality:</i> Indian</p>		
<p>Mr. Amit Kumar Jain</p> <p><i>Designation:</i> Non-Executive and Independent Director <i>Age:</i> 32</p> <p><i>DIN:</i> 06614248</p> <p><i>Address:</i> 20, Chandra Kutir, Khiriya Ward, Bina Sagar, Madhya Pradesh – 470113, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p>	<p>August 08, 2013</p> <p>Term: Liable to retire by rotation</p>	<p>Nil</p>
<p>Mr. Amitabh Rameshchand Luhadia</p> <p><i>Designation:</i> Non-Executive and Independent Director <i>Age:</i> 40</p> <p><i>DIN:</i> 00034516</p> <p><i>Address:</i> 2-C, Miniland, Tank Road, Bhandup (W), Mumbai - 400 078, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p>	<p>August 08, 2013</p> <p>Term: Liable to retire by rotation</p>	<p>1. GR Polyglov Pvt Ltd</p>

For further details on their qualifications, experience, etc., kindly refer to their respective biographies under the heading “Brief Biographies” below.

Confirmations

- None of our Directors is or was a director in any listed company during the five years preceding the date of filing of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.

- **Relationship between the Directors**

Directors	Relationship Details
Pradeep Shikharchand Badkur	Husband of Namrata Pradeep Badkur and Father of Harsh Pradeep Badkur
Harsh Pradeep Badkur	Son of Pradeep Shikharchand Badkur and Namrata Pradeep Badkur
Namrata Pradeep Badkur	Wife of Pradeep Badkur and Mother of Harsh Pradeep Badkur

Except as stated above, none of the Directors of the Company are related to each other.

- None of our Directors are on the RBI List of willful defaulters as on date of filing this Prospectus.
- Further, neither our Company, nor our Promoters, nor persons forming part of our Promoter Group, nor Directors and persons in control of our Company have been/are debarred from accessing the capital market by SEBI.
- There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any our Directors were selected as director or as members of the senior management.
- Our Directors have not entered into any service contract with our Company providing for benefits upon termination of employment.

Brief Biographies of Our Directors

1. **Mr. Pradeep Shikharchand Badkur** is the Promoter and Chairman of our Company. He is a commerce graduate from G.S. College of Commerce, Nagpur and is an entrepreneur who has nurtured various businesses besides being the Promoter of our Company. Mr. Badkur is instrumental in taking major policy decisions of the Company. Mr. Badkur plays a vital role in formulating business strategies and effective implementation of the same. He also has business interest in plastic moulding and real estate industry. Mr. Badkur is an active member of the Jain Social Club, Mumbai and Lions Club, Mumbai.
2. **Mr. Harsh Pradeep Badkur** is the Promoter and Managing Director of our Company. He is a post graduate in family management business from S. P. Jain Institute of Management and Research, Mumbai. He is presently incharge of the Finance Department of the organization. He has been instrumental in building relationships globally. He envisages 'Chemtech' to be a global brand and a truly professional organization. His vision for our company is that it known as not only the manufacturer of conventional & standard valves but also as one that can address the most complex and unique process application.
3. **Mrs. Namrata Pradeep Badkur** is the Promoter and Executive Director of our Company. She is a graduate from M.H. College of Home Science & Science for Women, Jabalpur, Madhya Pradesh. She is involved in the Board level decisions of the Company.
4. **Mr. Ignatious David Chittatukarakaran Inasu** is a Whole – time Director of our Company. He holds diploma certificate in Mechanical Engineering from Kerala and Associate Membership of The Institution of Engineers (India). He is responsible for the day-to-day operations of the firm. He has been associated with our Company since its inception. He is actively involved in the business of Company and acts as the Technical Director of our Company. He is responsible for all the design related aspects of the products and is actively involved in the marketing of products.
5. **Mr. Niranjay Amritlal Choudhary** is a Non- Executive Independent Director of our Company. He did his Masters in Commerce and LLB from Dr. Harisingh Gour Vishwavidhyalaya, Sagar (M.P.). He has vast knowledge and experience in the field of accounts, finance and legal matters.
6. **Dr. Rajnikant Hemchandra Panday** is a Non- Executive Independent Director of our Company. He is an MBBS from Vikram University, Ujjain. He has rich experience in the field of medicine and has his own medical practice.

7. **Mr. Amit Kumar Jain** is a Non- Executive Independent Director of our Company. He has completed his Graduation in Commerce from P.M.B. Gujarati Commerce College, Indore. He has vast knowledge and experience into the field of accounts, audit, taxation, and company law matters.
8. **Mr. Amitabh Rameshchand Luhadia**, is a Non-Executive Independent Director of our Company. He is an under graduate and completed his Second Year B.Com from Khalsa College, University of Mumbai. He is engaged in his family business of manufacturing of Plastic Gloves for over two decades and is actively involved in the operational activities of his business.

Borrowing Powers of our Board of Directors

Our Articles of Association, subject to Sections 58A, 292 of the Companies Act, 1956, and Section 180 and 181 of Companies Act, 2013, authorise our Board, to raise or borrow or secure the payment of any sum or sums of money for purposes of our Company. Pursuant to a special resolution passed by our shareholders at the Annual General Meeting held on July 31, 2013, our shareholders have authorised our Board to borrow, from time to time, such sums of money as may be required, provided that such amount shall not exceed Rs 50 Crores.

We confirm that the borrowing powers of directors are in compliance with the relevant provision of the Companies Act, 1956.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled “Main Provisions of the Articles of Association” beginning on page 251 of the Prospectus.

Remuneration to our Directors

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by Board in accordance with the provisions of Articles of Association, the Companies Act and other applicable laws and regulations.

Mr. Harsh Badkur and Mr. Ignatious David Inasu have been appointed as Managing Director and Whole – Time Director respectively of our Company with effect from May 16, 2013 for a period of five years, the remuneration payable to them shall be an amount not exceeding Rs 6.00 lacs p.a. each.

For details relating to the information on the remuneration paid to directors in the financial year ended March 31, 2013, kindly refer “Annexure – XXII of Financial Information “ on page 176

Shareholding of Directors

As per the Article of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of Director of our Company. However, as on date of this Prospectus, the following directors hold shares, details of which are as under:

Sr. no.	Name of the Director	No. of Shares Held	% of Pre-Issue Paid-up Share Capital
1.	Pradeep Shikharchand Badkur	12,60,763	19.34
2.	Harsh Pradeep Badkur	13,14,166	20.16
3.	Ignatious David Chittatukarakaran Inasu	12,98,500	19.92
4.	Namrata Pradeep Badkur	14,54,166	22.31

Shares as stated above are held by the Directors in their personal capacity either as sole or first holder.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees payable 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 to them under our Articles of Association, and to the extent of remuneration paid to them for their

services rendered as an officer or employee of our Company. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to any Body Corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them as disclosed above or that may be subscribed by and allotted to them and to companies and firms in which they are interested as directors/members/partners. All the 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.

Our Directors have given their properties as security and personal guarantees towards financial facility availed by our Company from various banks/financial institutions; therefore they are interested to the extent of the said guarantees and securities of personal properties. For more details, please refer the chapters titled “Financial Indebtedness” on page 184 and “Annexure -XXII titled “Related Party Transactions” of chapter titled “Financial Statements” on page 143 of this Prospectus.

Some of our Directors also hold directorships in our Promoter Group Companies. Except as stated in this section “Our Management” or the chapter titled “Related Party Transaction in Financial Information” on page 115 and 176 of the Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any interest in our business.

Our Directors are not interested in the appointment of or acting as Registrars and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest as to Property

Except for a Leave & License agreement entered with M/s Badkur Blowplast Containers Private Limited, one of our group companies, dated July 29, 2013 with respect taking on lease premises wherein our registered office is situated, we have not entered into any contracts, agreements or arrangements with respect to our Company’s property during the preceding two years from the date of this Prospectus in which our directors are directly or indirectly interested. No payments have been made to them in respect of any contracts, agreements or arrangements.

Changes in the Board of Directors in the last three years

Name of Director	Date of Change	Reason
Harsh Pradeep Badkur	30/09/2010	Appointed as Non-Executive Director
Namrata Pradeep Badkur	01/11/2010	Appointed as Non-Executive Director
Jimmy Ignatious Chittatukarakaran	01/11/2010	Appointed as Non-Executive Director
Namrata Pradeep Badkur, Executive Director	30/09/2011	Change in Designation from Non-Executive Director to Executive Director
Harsh Pradeep Badkur	16/05/2013	Change in designation from Non- Executive Director to Managing Director
Ignatious David Chittatukarakaran Inasu	16/05/2013	Change in designation from Director to Whole-time Director.*
Jimmy Ignatious Chittatukarakaran	30/07/2013	Resigned
Niranjay Amritlal Choudhary	08/08/2013	Appointed as Independent Director
Rajnikant Hemchandra Panday	08/08/2013	Appointed as Independent Director
Amit Kumar Jain	08/08/2013	Appointed as Independent Director
Amitabh Rameshchand Luhadia,	08/08/2013	Appointed as Independent Director

* Mr. Ignatious David Chittatukarakaran Inasu was appointed Director at time of incorporation of the Company on January 15, 1997, at that time category of Directorship such as executive, non-executive or independent was not specified.

Corporate Governance

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

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of Board and committees thereof. The corporate governance framework is based on an effective Independent Board, the Board 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 and the Listing Agreement in accordance with the best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Board Structure

Name	Nature of Directorship
Pradeep Shikharchand Badkur	Chairman and Executive Director
Harsh Pradeep Badkur	Managing Director
Ignatious David Chittatukarakaran Inasu	Whole-time Director
Namrata Pradeep Badkur	Executive Director
Niranjay Amritlal Choudhary	Non- Executive and Independent Director
Rajnikant Hemchandra Panday	Non- Executive and Independent Director
Amit Kumar Jain	Non- Executive and Independent Director
Amitabh Rameshchand Luhadia	Non- Executive and Independent Director

We have constituted/reconstituted the following committees of our Board of Directors for compliance with corporate governance requirements:

- Audit Committee
- Shareholders'/Investor Grievance Committee
- Remuneration Committee
- IPO Committee

A. Audit Committee

Our Company has constituted an Audit Committee, as per the provisions of Section 292A of the Companies Act, 1956 and Clause 52 of the SME Listing Agreement to be entered with the Stock Exchange, vide resolution passed in the meeting of Board of Directors held on August 8, 2013. The committee comprises of the following members:

Name of Directors	Designation in Committee	Nature of Directorship
Amit Kumar Jain	Chairman	Independent Director
Niranjay Amritlal Choudhary	Member	Independent Director
Harsh Pradeep Badkur	Member	Managing Director

The Company Secretary of our Company acts as the Secretary to the Audit Committee.

The terms of reference of the audit committee are broadly defined as under:

- a. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Appointment, removal and terms of remuneration of internal auditors.
- e. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference but not restricted to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act 1956;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
- f. Reviewing, with the Management, the half yearly financial statements before submission to the Board for approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges.
- g. Monitoring the statement of uses/ application of the issue proceeds of the proposed initial public offering of the Company, the statement of funds utilized for purposes other than those stated in the prospectus and making appropriate recommendations to the Board to take steps in this matter.
- h. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- i. 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.
- j. Discussions with internal auditors on any significant findings and follow up thereon.
- k. Reviewing internal audit reports and adequacy of the internal control systems.
- l. 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.
- m. 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.
- n. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- o. To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing
- p. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- q. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.
- r. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per Clause 52 of Listing Agreement

The Audit Committee shall mandatorily review the following information:

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

B. Shareholders' / Investors Grievance Committee

Our Company has constituted a Shareholders'/Investors' Grievance Committee to redress the complaints of the shareholders. The Shareholders'/Investor' Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on August 8, 2013.

The Investor Grievance Committee comprises the following Directors:

Name of Directors	Designation in Committee	Nature of Directorship
Niranjay Amritlal Choudhary	Chairman	Independent Director
Dr. Rajnikant Hemchandra Panday	Member	Independent Director
Pradeep Shikharchand Badkur	Member	Executive Director

Our Company Secretary is the Secretary to the Shareholders'/Grievances' Committee.

The terms of reference of the Shareholders' / Investors' Grievance Committee shall be as follows:

- a. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- b. Redressal of shareholder and investor complaints in relation to transfer of shares, allotment of shares, non-receipt of refund orders, right entitlement, non-receipt of Annual Reports and other entitlements; non-receipt of declared dividends etc;
- c. Monitoring transfers, transmissions, rematerialisation, splitting and consolidation of shares or other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares.
- d. Issue of duplicate / split / consolidated share certificates;
- e. Allotment and listing of shares;
- f. Review of cases for refusal of transfer / transmission of shares and debentures;
- g. Reference to statutory and regulatory authorities regarding investor grievances;
- h. Ensure proper and timely attendance and redressal of investor queries and grievances.
- i. 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.

Carrying out any other function as prescribed under the Listing Agreement.

C. Remuneration Committee

Our Company has constituted a Remuneration Committee. The constitution of the Remuneration Committee was approved by a Meeting of the Board of Directors held on August 8, 2013. The said committee is comprised as under:

Name of Directors	Designation in Committee	Nature of Directorship
Amit Kumar Jain	Chairman	Independent Director
Niranjay Amritlal Choudhary	Member	Independent Director
Dr. Rajnikant Hemchandra Panday	Member	Independent Director

Our Company Secretary is the Secretary to the Remuneration Committee.

The terms of reference of the Remuneration Committee shall be as follows:

- a. To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package(i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- b. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;
- c. 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.

D. IPO Committee

Our Company has constituted an IPO Committee. The constitution of the IPO Committee was approved by a meeting of the Board of Directors held on August 8, 2013. The said Committee comprises of the following Directors:

Name of Directors	Designation in Committee	Nature of Directorship
Mr. Pradeep Shikharchand Badkur	Chairman	Executive Director
Mr. Ignatious David Chittatukarakaran Inasu	Member	Whole-time Director
Mr. Amit Kumar Jain	Member	Independent Director

The terms of reference of the IPO Committee shall be as follows:

- a. To decide on the actual size of the IPO, including any offer for sale by promoters/shareholders, and/or reservation for employees or shareholders of promoting companies or shareholders of group companies and/or any other reservations or firm allotments as may be permitted, timing, pricing and all the terms and conditions of the issue of the shares, including the price, and to accept any amendments, modifications, variations or alterations thereto;
- b. To appoint and enter into arrangements with the book running lead manager, co-managers to the issue, underwriters to the issue, syndicate members to the issue, advisors to the issue, stabilizing agent, brokers, escrow collection bankers to the issue, registrars and transfer agents, legal advisors to the Company, legal advisors as to Indian and overseas jurisdictions, advertising and/or promotion or public relations agencies and any other agencies or persons;
- c. To finalize and settle and to execute and deliver or arrange the delivery of the offer documents (the Draft Prospectus, Final Prospectus, syndicate agreement, underwriting agreement, escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the issue of shares or the IPO by the Company);
- d. To open one or more separate current account(s) in such name and style as may be decided, with a scheduled bank to receive applications along with application monies in respect of the issue of the shares of the Company;
- e. To open one or more bank account of the Company such name and style as may be decided for the handling of refunds for the Issue;

- f. To make any applications to the RBI, FIPB and such other authorities, as may be required, for the purpose of issue of shares by the Company to non-resident investors including but not limited to NRIs, FIIs, FVCI's and other non-residents;
- g. To make applications for listing of the equity shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- h. To settle all questions, difficulties or doubts that may arise in regard to the Issue or allotment of shares as it may, in its absolute discretion deem fit; and
- i. To do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, or otherwise in relation to the Issue or any matter incidental or ancillary in relation to the Issue, including without limitation, allocation and allotment of the shares as permissible in law, issue of share certificates in accordance with the relevant rules.

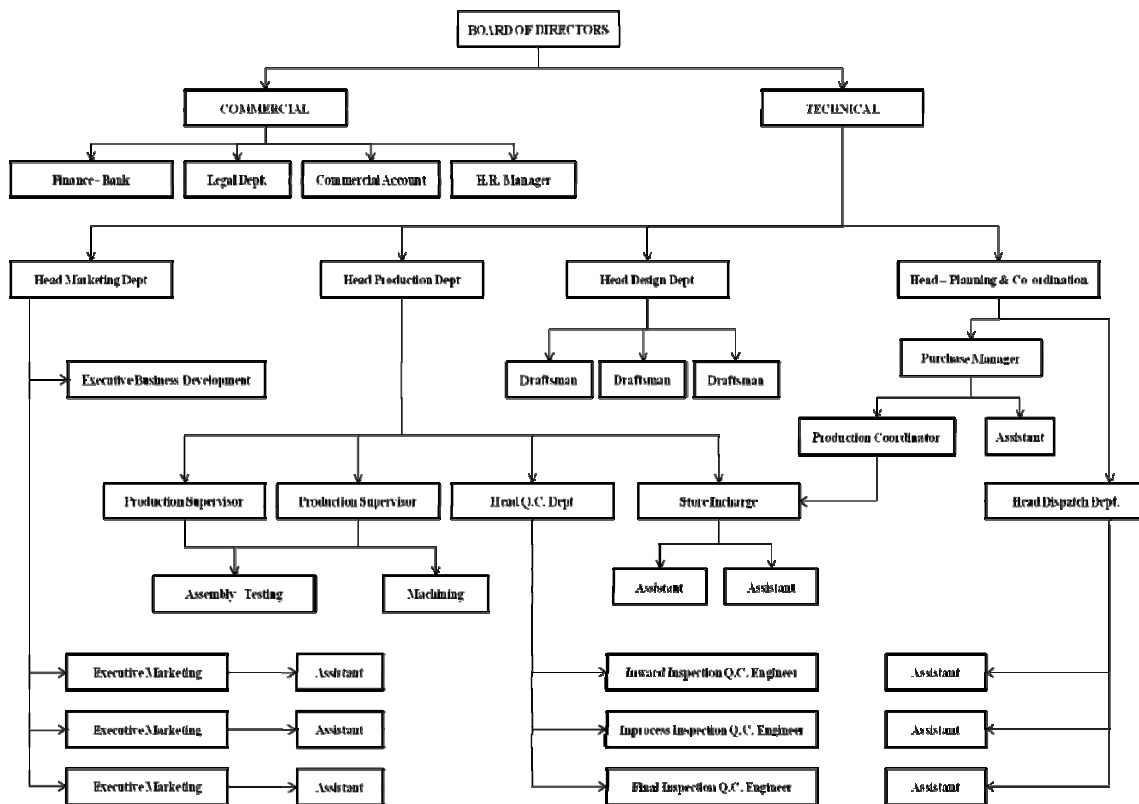
Policy on Disclosure and Internal procedure for prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's Equity Shares on the Stock Exchanges.

Mr. Mohammed A. Slatwala, Company Secretary and Compliance Officer is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANISATION CHART OF OUR COMPANY

As on the date of this Prospectus, the following is the organization structure of our Company:



Key Management Personnel

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of production / finance / distribution / marketing and corporate laws.

The following key personnel assist the management of our Company:

Name, Designation and Age	Qualification	Date of Appointment	Experience (Years) with our Company	Previous Employment	Compensation Paid in previous year. (Rs. in Lakhs)
Pradeep Shikharchand Badkur Chairman 54 years	Bachelor of Commerce	January 1997	17	Entrepreneur	4.96
Ignatious David Chittatukarakaran Inasu , Technical Director, 55 Years	Diploma in Mechanical Engineering	January 1997	17	Entrepreneur	4.95
Harsh Pradeep Badkur, Managing Director, 25 Years	Post Graduate in Family Managed Business (FMBA)	September 2010	3.3	First Employment	4.80
Jimmy Ignatious Chittatukarakaran, Marketing Head 29 Years	B.E (Mechanical)and Masters in Business Administration	November 2010	3.1	First Employment	3.03
Mohammed Abdullah Slatewala, Secretarial and Legal, 26 Years	Company Secretary	April 2013	0.8	R. C. Jain & Associates, Chartered Accountants.	Nil
Vikas Maruti More, Accounts Head 34 Years	Bachelor of Commerce	May 2007	6.7	M/s. S.K. Oak & Co, Chartered Accountants	2.08
Hemant Sudhakar Patil, Human Resource Manager 27 Years	MBA in HR	July 2012	1.5	Novatech Projects (I) Private Limited,	1.67
Ansari Ganjur Rehman Production Supervisor 53 Years	Diploma in Mechanical Engineering	June 2013	0.6	Family Business	Nil
Khan Mohd Javed Inayat, Design Head 24 Years	M.H. Saboo Siddik Industrial Training Centre. – Draughtsmen – Piping and Ducting	April 2011	2.8	Nil	2.48

Nitin Shivram Gujar, Planning & Co-ordination Head 33 Years*	Bachelor of Commerce	April 2013	0.7	Forward Alloys & Castings.	Nil
Mohammed Azharuddin Patel, Quality Control Head 26 Years	Quality Control Course from Forum Consulting Engineers	January 2013	0.10	Micon Valves (I) Private Limited	0.47
Jagdish Bhuwad Store Incharge 37 Years	Bachelor of Commerce	January 2013	0.10	Watson Pharma Private Limited	0.37

* Mr. Nitin Shivram Gujar was ceased to be on employment with effect from November 10, 2013

- All the Key Managerial Personnel mentioned above are on the payrolls of our company and are on a permanent basis. However, Mr. Ansari Rehman Gunjar is currently serving his probation period, once he completes the same, he might be inducted as permanent employee.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited.
- **Relation of the Key Managerial Personnel with our Promoters/Directors**

Except stated herein below, none of the Promoters/Directors of our Company have any relationship whatsoever, with any of our Key Managerial personnel.

- Pradeep S Badkur is the husband of Namrata Pradeep Badkur and Father of. Harsh Pradeep Badkur
- Harsh Pradeep Badkur is the son of Mr. Pradeep S Badkur and Namrata Pradeep Badkur
- Ignatious David Chittatukarakaran Inasu is the father of Jimmy Ignatious Chittatukarakarn
- Jimmy Ignatious Chittatukarakaran is the son of Ignatious David Chittatukarakaran Inasu

Interests key Managerial Personnel

The key management personnel of our Company do not have any interest in our Company other than to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and the reimbursement of expenses incurred by them during the ordinary course of business and to the extent of their shareholding which is as follows:

Sr. no.	Name of the Directors	No. of Shares
1	Pradeep Badkur	1260763
2	Harsh Pradeep Badkur	1314166
3	Ignatious David Chittatukarakaran Inasu	1298500
4	Jimmy Ignatious Chittatukarakaran	175000
	TOTAL	4048429

Bonus or Profit Sharing Plan for the key Managerial Personnel during last 3 years

Our Company pays one month salary as yearly bonus to its employees and apart from this it does not have any bonus/profit sharing plan for any of the employees, directors, key managerial personnel.

Changes in Key Managerial Personnel during last 3 years

There have been no changes in the Key Managerial Personnel in our Company during the last three years except as stated below:

Name	Designation	Date of Change	Reason for Change
Harsh Badkur	Managing Director	September 30, 2010	Appointment
Jimmy Ignatious Chittatukarakaran	Marketing Head	November 1, 2010	Appointment
Hemant Sudhakar Patil	Human Resource Manager	July 16, 2012	Appointment
Mohammed Abdullah Slatewala	Company Secretary and Compliance Officer	April 22, 2013	Appointment
Ansari Rehman Gunjar	Production Head	June 1, 2013	Appointment
Khan Mohd Javed Inayat	Design Head	April 1, 2011	Appointment
Nitin Shivram Gujar	Planning and Co-ordination Head	April 1, 2013	Appointment
Mohammed Azharuddin Patel	Quality Control Head	January 19, 2013	Appointment
Jagdish Bhuwad	Store Incharge	January 12, 2013	Appointment
Nitin Shivram Gujar	Planning and Co-ordination Head	November 10, 2013	Resignation

Employees

The details about our employees appear under the Paragraph titled 'Human Resource' beginning on page 98 of this Prospectus.

ESOP/ESPS Scheme to Employees

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

Retirement Benefits

Except for the statutory benefits upon termination of their employment, payment of salaries and yearly bonus, we do not provide any other benefits to our employees.




Loans taken by Key Managerial Personnel

None of the Key Managerial Personnel have taken loan from our Company.

OUR PROMOTERS

Our Promoters:

The following individuals are the Promoters of our Company:

	Name	Pradeep Shikharchand Badkur
	Age	54 years
	Qualification	Commerce Graduate from G.S. College of Commerce, Nagpur
	Driving License No	MH03 20100086156
	Voter ID Number	MT/07/049/1198670
	Passport No	G8102085
	PAN	AABPB7996D
	Bank Account No	101/25418
	Name	Namrata Pradeep Badkur
	Age	47 years
	Qualification	Qualified Science Graduate from M.H. College of Home Science, Jabalpur.
	Voter ID Number	MT/07/049/1197250
	Passport No	G8102084
	PAN	AHGPB5110M
	Bank Account No	101/25419
	Name of the bank and branch	The Bharat Co-op. Bank Limited, Bhandup Branch
	Name	Mr. Harsh Pradeep Badkur
	Age	25 years
	Qualification	Post Graduate in Family Managed Business from SP Jain institute of Management and Research, Mumbai.
	Driving License No	MH 03/2006 29797
	Passport No	G8104914
	PAN	ALBPB1596N
	Bank Account No	101/25416
	Name of the bank and branch	The Bharat Co-op. Bank Limited, Bhandup Branch

For a complete profile of each of our Promoters, i.e. their age, personal address, educational qualifications, experience, positions/ posts held in the past and other directorships of our Promoters, please refer to the section titled "Our Management" beginning on Page No. 115 of this Prospectus.

We confirm that the PAN, the Bank Account Number and the Passport Number of the Promoter have been submitted to the Stock Exchange at the time of filing of this Prospectus with the Stock Exchange.

Further, our Promoters, members of our Group Companies (as mentioned below), and relatives of our Promoters, have confirmed that they have not been identified as wilful defaulters by the RBI or any Government authority.

Other than as disclosed in this section and in the section titled “Outstanding Litigations and Material Developments” there are no violations of the securities laws committed by our Promoters, relatives of our Promoters, Promoter Group or Group Companies in the past or are pending against them. None of our Promoters or members of our Promoter Group or any company of which they are promoters, directors or persons in control of our Promoter Group have been restricted from accessing the capital markets for any reasons, by SEBI or any other authorities or refused listing of any securities issued by any entity by any stock exchange in India or abroad.

Changes in our Promoters

Our present Promoters are our original Promoters and there have been no changes in the control of our Company since its incorporation.

Interest of Promoters

The Promoters of our Company are interested to the extent that they have promoted the Company and along with the relatives and other members of the Promoter Group hold Equity Shares in our Company. For details on the shareholding of the Promoter and Promoter Groups in the Company, kindly refer to the Chapter titled “Capital Structure” beginning on page 51 of this Prospectus.

Further, our Promoter are also a Director on the Board of or member of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by the Company, if any, to these Promoter Group entities. For further details, kindly refer to the Chapters titled “Our Promoter, Promoter Group and Group Companies” and “Our Management” beginning on pages 131 and 115 respectively, of this Prospectus. For the payments that are made by our Company to certain Promoter Group entities, kindly refer to the section titled “Related Party Transactions” beginning on page 176 of this Prospectus.

Further our Promoters are also a Director and/key management personnel of our Company and shall be deemed to be interested to the extent of benefits accruing to them in the positions held by them in our Company.

Except as stated otherwise in this Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in normal course of business.

Further, except as disclosed in the chapter titled “Our Promoter, Promoter Groups and Group Companies” on page 131 of this Prospectus, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Our Promoters have given their properties as security and personnel guarantees towards financial facility availed by our Company from various banks/financial institutions; therefore they are interested to the extent of the said guarantees and security of personal properties. For more details, please refer the chapters titled “Financial Indebtedness” on page 184 and “Annexure XXII titled Related Party Transactions” of chapter titled “Financial Statements” on page 143 and paragraph titled “Property” on page 102 of this Prospectus.

Payment or benefits to our Promoters

Except as stated in the paragraph titled “Related Party Transactions” on page 176 of this Prospectus, there has been no amount or benefit paid to the Promoter or Promoter Groups during the two years preceding the date of this Prospectus.

Companies / Firms with which Promoters have disassociated in the last three years

Except as stated below, none of our Promoters have disassociated themselves from any company or firm in the last three years preceding the date of the Prospectus.

Name of Promoter	Name of Entity	Nature of Interest	Manner of Disassociation	Date of Resignation / transfer of shares	Current Status
Pradeep Shikharchand Badkur	Pushdeep Properties Private Limited	Director	Resignation	02/01/2012	Nil
		Shareholder	Transfer	25/01/2012	
	Surashtra Estates Private Limited	Director	Resignation	06/08/2012	Nil
Harsh Pradeep Badkur	Prakhhyat Homes Private Limited	Director	Resignation	02/05/2013	Nil
Namrata Pradeep Badkur	Neel Deep Properties Private Limited	Director	Resignation	05/05/2012	Nil
		Shareholder	Transfer	15/09/2012	Nil
	Nath Properties Private Limited	Director	Resignation	29/10/2012	Nil
		Shareholder	Transfer	27/10/2012	Nil

OUR PROMOTER GROUP AND GROUP ENTITIES

In terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, the following persons/entities form part of our Promoter Group.

1. Individuals related to our Promoters

Relationship	Mr. Pradeep Shikharchand Badkur	Mrs. Namrata Pradeep Badkur	Mr. Harsh Pradeep Badkur
Father	Mr. Shikharchand Badkur	Late Mr. B.C. Jain	Mr. Pradeep Shikharchand Badkur
Mother	Late Mrs. Tulsibai Badkur	Mrs. Kiran Jain	Mrs. Namrata Pradeep Badkur
Spouse	Mrs. Namrata Pradeep Badkur	Mr. Pradeep Shikharchand Badkur	-
Brother	Mr. Prakash / Pramod Badkur	Mr. Rajesh Jain	Mr. Puneet Badkur
Sister	Ms. Preeti / Pramila Jain	-	-
Children	Mr. Harsh & Puneet Badkur	Mr. Harsh & Puneet Badkur	-
Spouse's Father	Late Mr. B.C. Jain	Mr. Shikharchand Badkur	-
Spouse's Mother	Mrs. Kiran Jain	Late Tulsibai Badkur	-
Spouse's Brother	Mr. Rajesh Jain	Mr. Prakash / Pramod Badkur	-
Spouse's Sister	-	Ms. Preeti / Pramila Jain	-

2. Companies, partnership firms, proprietary concerns, trusts, HUFs, related to our Promoter.

Relationship with Promoters	Promoters		
	Pradeep Shikharchand Badkur	Namrata Pradeep Badkur	Harsh Pradeep Badkur
Any company in which 10% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	1. Chemtech Infosolution Private Limited	1. Chemtech Infosolution Private Limited	1. Chemtech Infosolution Private Limited
	2. Badkur Blow Plast Containers Private Limited	2. Badkur Blow Plast Containers Private Limited	2. Badkur Blow Plast Containers Private Limited
	3. Nashik Estates Private Limited	3. Nashik Estates Private Limited	3. Nashik Estates Private Limited
	4. Chemtech Instrumentation Services Private Limited	4. Chemtech Instrumentation Services Private Limited	4. Chemtech Instrumentation Services Private Limited
	5. Shubharambh Properties Private Limited	5. Shubharambh Properties Private Limited	5. Shubharambh Properties Private Limited
	6. Gurucharan Properties Private Limited	6. Gurucharan Properties Private Limited	6. Gurucharan Properties Private Limited
	7. Saurashtra Estates Private Limited	7. Saurashtra Estates Private Limited	7. Saurashtra Estates Private Limited
Any company in which a company (mentioned above) holds 10% of the total holding	1. Panama Properties Private Limited	1. Panama Properties Private Limited	1. Panama Properties Private Limited
	2. Nimbus Properties Private Limited	2. Nimbus Properties Private Limited	2. Nimbus Properties Private Limited
	3. Parshwajit Properties Private Limited	3. Parshwajit Properties Private Limited	3. Parshwajit Properties Private Limited
	4. Navdarshi Properties Private Limited	4. Navdarshi Properties Private Limited	4. Navdarshi Properties Private Limited
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total holding	1. Pradeep S Badkur (HUF)	1. Pradeep S Badkur (HUF)	1. Pradeep S Badkur (HUF)
	2. M/s. Badkur Polycans Industries	2. M/s. Badkur Polycans Industries	2. M/s. Badkur Polycans Industries
	3. M/s. Maxxon Industries	3. M/s. Maxxon Industries	3. M/s. Maxxon Industries

3. All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus under the heading “Shareholding of the Promoter Group”

Ignatious David Chittatukarakaran Inasu, Jimmy Ignatious Chittatukarakaran and Dinesh Rajabhai Rita.

OUR GROUP ENTITIES

Unless otherwise, stated none of the companies or other entities forming part of the Group Companies had remained defunct during the five years preceding the date of this Prospectus or is a sick company under the meaning of SICA and none of them have incurred any losses or have negative cash flows or are in the process of winding up. Further, all the Group Companies are unlisted companies and they have not made any public issue of securities (including rights) in the preceding three years.

Details of Group Companies

Top Five Group Companies based on Sales/Turnover

A. Companies

1. Nimbus Properties Private Limited

Corporate Information

Nimbus Properties Private Limited was incorporated under the Companies Act, 1956 on March 27, 2007 in the state of Maharashtra. The CIN of Nimbus Properties Private Limited is U45201MH2007PTC169241.

Main Object

To carry on in India or abroad the either alone or jointly with one or more person, government, local bodies or other bodies, the business of construction, developers, builders, contractors, architects, decorators, engineer, civil engineer, architectural engineer, interior decorator and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 0.10% of the Issued and Paid up Equity Share Capital of Nimbus Properties Private Limited.

None of our Promoters have interest in this group Company, except to the extent of 99.80 % of the Equity Share Capital held by Gurucharan Properties Private Limited. Gurucharan Properties Private Limited is part of the Promoter Group.

Financial Performance

The audited financial result of Nimbus Properties Private Limited for the fiscal 2012, 2011 and 2010 are as under:

Particulars	As At March 31		
	2012	2011	2010
Equity Capital	1.00	1.00	1.00
Reserves (excluding Revaluation Reserve)	24.09	4.70	(2.87)
Net Worth	25.09	5.66	1.94
Revenue from Operations	176.46	189.96	112.00

Profit / (Loss) After Tax	19.39	7.57	(28.73)
Earnings per share (Rs)	193.88	75.68	(287.33)
Net Asset Value (Rs)	250.88	56.60	(19.40)

2. Parshwajit Properties Private Limited

Corporate Information

Parshwajit Properties Private Limited was incorporated under the Companies Act, 1956 on October 07, 2008 in the state of Maharashtra. The CIN of Parshwajit Properties Private Limited is U45400MH2008PTC187320.

Main Object

To carry on in India or abroad the business of construction, developers, builders, contractors, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, amusement parks, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 0.10% of the Issued and Paid up Equity Share Capital of Parshwajit Properties Private Limited.

None of our Promoters have interest in this group Company, except to the extent of 99.80 % of the Equity Share Capital held by Gurucharan Properties Private Limited. Gurucharan Properties Private Limited is part of the Promoter Group.

Financial Performance

The audited financial result of Parshwajit Properties Private Limited for the fiscal 2012, 2011 and 2010 are as under:

(Rs in lacs, unless otherwise stated)

Particulars	As At March 31		
	2012	2011	2010
Equity Capital	1.00	1.00	1.00
Reserves (excluding Revaluation Reserve)	50.06	35.69	24.86
Net Worth	51.03	36.63	25.77
Revenue from Operations	50.25	55.38	48.31
Profit / (Loss) After Tax	14.37	10.84	7.50
Earnings per share (Rs)	143.67	108.37	75.02
Net Asset Value (Rs)	510.31	366.33	257.66

3. Navdarshi Properties Private Limited

Corporate Information

Navdarshi Properties Private Limited was incorporated under the Companies Act, 1956 on October 15, 2007 in the state of Maharashtra. The CIN of Navdarshi Properties Private Limited is U70102MH2007PTC175036.

Main Object

To carry on in India or abroad the business of construction, developers, builders, contractors, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 0.10% of the Issued and Paid up Equity Share Capital of Navdarshi Properties Private Limited.

None of our Promoters have interest in this group Company, except to the extent of 99.80 % of the Equity Share Capital held by Gurucharan Properties Private Limited. Gurucharan Properties Private Limited is part of the Promoter Group.

Financial Performance

The audited financial result of Navdarshi Properties Private Limited for the fiscal 2012, 2011 and 2010 are as under:

Particulars	(Rs in lacs, unless otherwise stated) As At March 31 (In Rs.)		
	2012	2011	2010
Equity Capital	1.00	1.00	1.00
Reserves (excluding Revaluation Reserve)	128.35	35.16	23.00
Net Worth	129.26	35.99	23.73
Revenue from Operations	41.83	56.09	37.26
Profit / (Loss) After Tax	93.18	12.17	(4.02)
Earnings per share (Rs)	931.80	121.71	(40.22)
Net Asset Value (Rs)	1292.57	359.87	237.27

4. Panama Properties Private Limited

Corporate Information

Panama Properties Private Limited was incorporated under the Companies Act, 1956 on March 07, 2007 in the state of Maharashtra. The CIN of Panama Properties Private Limited is U45200MH2007PTC168445.

Main Object

To carry on in India or abroad the either alone or jointly with one or more person, government, local bodies or other bodies, the business of construction, developers, builders, contractors, architects, decorators, engineer, civil engineer, architectural engineer, interior decorator, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 0.10% of the Issued and Paid up Equity Share Capital of Panama Properties Private Limited.

None of our Promoters have interest in this group Company, except to the extent of 99.80 % of the Equity Share Capital held by Gurucharan Properties Private Limited. Gurucharan Properties Private Limited is part of the Promoter Group.

Financial Performance

The audited financial result of Panama Properties Private Limited for the fiscal 2012, 2011 and 2010 are as under:

(Rs in Lacs, unless otherwise stated)

Particulars	As At March 31		
	2012	2011	2010
Equity Capital	1.00	1.00	1.00
Reserves (excluding Revaluation Reserve)	(37.25)	(19.81)	34.55
Net Worth	(36.25)	(19.01)	35.25
Revenue from Operations	41.30	-	54.95
Profit / (Loss) After Tax	(17.44)	(54.36)	(4.85)
Earnings per share (Rs)	(174.40)	(543.58)	(48.50)
Net Asset Value (Rs)	(362.48)	(190.07)	352.51

** The Company incurred a loss of Rs 17.44 lacs , Rs 54.36 lacs and Rs 4.85 lacs in the financial year ended March 31,2012, 2011 and 2010 and has a negative networth of Rs 36.25 lacs as on March 31,2012.

5. Chemtech Instrumentation Services Private Limited

Corporate Information

Chemtech Instrumentation Services Private Limited was incorporated under the Companies Act, 1956 on December 01,2004 in the state of Maharashtra. The CIN of Chemtech Instrumentation Services Private Limited is U28939MH2004PTC149762.

Main Object

To carry on in India or abroad the business of manufacturing of valves spares tools, nuts, bolts, steel, round nuts & any other type of hardware items used in the engineering or fabrications. To carry on business of all types of engineering and fabricators or contractors, tools makers, brass founders, metal workers, manufacturers of steel, metal, malleable grey, casting including, ferrous and non ferrous, special and alloys steel, spring steel, forging quality steel manufacturers, processors of all types of forged components and accessories, alloys, nuts, bolts, steel round nails, tools, all types of hardware items. Also to carry on business of the reconditioning, repairs & maintenance of all type of engineering or fabrications works at our premises as well as client premises. Also to carry on the business of manufacture, produce process, compound, mix, pack, formulate, condense, rectify, sterilize, pasteurize, steam, evaporate, vapourise, cool, filter, commercialise, develop, treat, cure, refine, extract, purify, protect, preserve, turn to account, and to act as broker, agent stockiest, distributors, buyer, seller, exporter, importer, job worker contractor, supplier, or otherwise, to deal in all types of organic, inorganic, industrial laboratory, photographic, fine, biological, pathological, formulations, preparations, acids, oils, solutions.

Interest of our Promoter

One of our Promoters, Mr. Harsh Pradeep Badkur, is Director and holds 50% of the Issued and Paid up Equity Share Capital of Chemtech Instrumentation Services Private Limited.

Financial Performance

The audited financial result of Chemtech Instrumentation Services Private Limited for the fiscal 2012, 2011 and 2010 are as under:

Particulars	(Rs in Lacs, unless otherwise stated)		
	As at March		
	2012	2011	2010
Equity Capital	1.00	1.00	1.00
Reserves (excluding Revaluation Reserve)	(2.46)	(3.24)	(2.16)
Net Worth	(1.48)	(2.31)	(1.24)
Revenue from Operations	31.47	17.25	10.93
Profit / (Loss) After Tax	0.79	(1.08)	(0.71)
Earnings per share (Rs)	7.86	-	-
Net Asset Value (Rs)	(14.76)	(23.08)	(12.45)

** The Company incurred a loss of Rs 1.08 lacs and Rs 0.71 lacs in the financial year ended March 31, 2011 and March 31, 2010 and has a negative networth of Rs 1.48 lacs as on March 31, 2012.

B. Other Companies

6. Chemtech Infosolution Private Limited

Corporate Information

Chemtech Infosolution Private Limited was incorporated under the Companies Act, 1956 on June 23, 2011 in the state of Maharashtra. The CIN of Chemtech Infosolution Private Limited is U72300MH2011PTC219037.

Main Object

To develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based on the information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, e-commerce, value added products and other business applications either for its own use for sale in India or for export outside India and to design and develop such systems and application software for and on behalf of manufacturers owners and users of computer, telecom, digital, electronic equipments in India or elsewhere in the world.

Interest of our Promoter

One of our Promoters, Pradeep Shikharchand Badkur, is Director and holds 49.90% of the issued and paid up equity share capital of Chemtech Infosolution Private Limited.

Further, Mr. Ignatious David Chittatukarakaran Inasu, one of the promoter group member is a director and holds 50% of the issued and paid up equity share capital of the Company.

Financial Performance

Chemtech Infosolution Private Limited has incurred a loss of Rs 1.03 lacs for the financial year ended March 31, 2012. As the company had been incorporated on June 23, 2011, financials are available only for the financial year ended March 31, 2012. It has a negative networth of Rs 0.18 lacs as on March 31, 2012.

7. Badkur Blow Plast Containers Private Limited

Corporate Information

Badkur Blow Plast Containers Private Limited was incorporated under the Companies Act, 1956 on October 14, 1986 in the state of Maharashtra. The CIN of Badkur Blow Plast Containers Private Limited is U25202MH1986PTC041234.

Main Object

To carry on the business of manufacture, processors, designers, buyers, sellers, exporters, importers and/or otherwise, dealers in all kinds of cardboard packing, corrugated packing, pillow packing, plastic packing, polythene packing, gunny bags, containers, bottles, hollow wares, whether made of plastic or any man-made fibre, leather or of other material including high and low density polythene, polypropylene, plastic, P.V.C. chemical and other man-made fibrous material, used in manufacture of card board packing, corrugated packing, plastic packing, polythene packing, gunny bags, containers, bottles, hollow wares.

Interest of our Promoter

Our Promoters and relatives of Promoters together holds 100% of issued and paid up share capital of Badkur Blow Plast Containers Private Limited.

8. Shubharambh Properties Private Limited

Corporate Information

Shubharambh Properties Private Limited was incorporated under the Companies Act, 1956 on February 03, 2007 in the state of Maharashtra. The CIN of Shubharambh Properties Private Limited is U45200MH2007PTC167520.

Main Object

To carry on in India or abroad the either alone or jointly with one or more person, government, local bodies or other bodies, the business of construction, developers, builders, contractors, architects, decorators, engineer, civil engineer, architectural engineer, interior decorator, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and hold 50% of the Issued and Paid Up Equity Share Capital of Shubharambh Properties Private Limited.

Financial Performance

Shubharambh Properties Private Limited had incurred loss of Rs 0.14 lacs for the year ended March 31, 2012. The profit /loss after tax for the year ended March 31, 2011 and 2010 are Rs 0.07 lacs and Rs (0.20) lacs respectively.

9. Surashtra Estates Private Limited

Corporate Information

Surashtra Estates Private Limited was incorporated under the Companies Act, 1956 on March 11,2010 in the state of Maharashtra. The CIN of Surashtra Estates Private Limited is U70102MH2010PTC200742.

Main Object

To carry on in India or abroad the business of construction, developers, builders, contractors, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, amusement parks, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Mr. Pradeep Shikharchand Badkur, is Director and holds 50% of the Issued and Paid up Equity Share Capital of Surashtra Estates Private Limited.

Financial Performance

As per the last available audited financials, Surashtra Estates Private Limited has incurred a loss of Rs 1.03 lacs for the year ended March 31, 2010. It had not commenced any business activities till March 31, 2012.

The Company has defaulted in filing its balance sheet and annual return with the concerned Registrar of Companies for Financial Year 2010-11 & 2011-12 and may be subjected to any penalty thereof.

10. Gurucharan Properties Private Limited

Corporate Information

Gurucharan Properties Private Limited was incorporated under the Companies Act, 1956 on November 07, 2008 in the state of Maharashtra. The CIN of Gurucharan Properties Private Limited is U45202MH2008PTC188019.

Main Object

To carry on in India or abroad the business of construction, developers, builders, contractors, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, amusement parks, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 49.34% of the Issued and Paid up Equity Share Capital of Gurucharan Properties Private Limited.

Financial Performance

Gurucharan Properties Private Limited has incurred a loss of Rs 0.31 lacs for the financial year ended March 31, 2012.

11. Nashik Estates Private Limited

Corporate Information

Nashik Estates Private Limited was incorporated under the Companies Act, 1956 on March 11, 2010 in the state of Maharashtra. The CIN of Nashik Estates Private Limited is U70102MH2010PTC200743.

Main Object

To carry on in India or abroad the business of construction, developers, builders, contractors, and all types of construction and development work in all its branches such as culverts, and all types of buildings and structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, amusement parks, sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, housing projects and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire, commercialize, turn to account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of immovable properties for development or for sale.

Interest of our Promoter

One of our Promoters, Namrata Pradeep Badkur, is Director and holds 33.33% of the Issued and Paid-up Equity Share Capital of Nashik Estates Private Limited.

A. Sole Proprietorship Firm

1. Badkur Polycan Industries

Badkur Polycan Industries is engaged in the business of moulding and packaging of plastics and allied materials.

Interest of our Promoter

Our Promoter Pradeep Shikharchand Badkur is the sole proprietor of Badkur Polycan Industries.

2. Maxxon Industries

Maxxon Industries is engaged in the business of moulding and packaging of plastics and allied materials.

Interest of our Promoter

Our Promoter, Namrata Pradeep Badkur is the sole proprietor of Maxxon Industries.

HUFs which form part of the Group Entities

1. Pradeep S Badkur (HUF)

Pradeep S. Badkur (HUF), is a Hindu Undivided Family, represented by its Karta Mr. Pradeep Shikharchand Badkur.

Common Pursuits amongst the Group Companies and Associate Companies with our Company

Except for Chemtech Instrumentation Services Private Limited which is engaged in pursuit of the main objects as stated elsewhere in this Prospectus, there are no common pursuits amongst any of the other Group Companies and our Company.

Related Party Transactions with the Group Companies and Significance on the Financial Performance of our Company

For details of the related party transactions, see section titled “Financial Statements - Related Party Transactions” on page 176 of this Prospectus.

Other confirmations

Interest in sales and purchases

Except as disclosed in section titled “Financial Statements - Related Party Transactions” on page 176 of this Prospectus, there have been no sales and purchases between us and our Group Companies and Entities, where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Business Interests

Except as disclosed in section titled “Financial Statements - Related Party Transactions” on page 176 of this Prospectus, none of our Group Companies and Entities have any business interests in our Company.

Defunct Group Companies and Entities

Except as mentioned below, one of our Group Companies and Entities has remained defunct and no application has been made to the Registrar of Companies for striking-off their name from the register of companies, during the five years preceding the date of filing of this Prospectus.

M/s Jai Ambey Polyplast Private Limited in which Mr. Ignatious David Inasu Chittatukarakaran (one of the promoter group member) was holder of 24.51% of the Issued and Paid up Capital of the Company and Mr. Harsh Pradeep Badkur, one of the promoter of the Company was a Director, had applied for being strike off under the Easy Exit Scheme, 2010 vide application dated August 04, 2010.

Interest in promotion of Our Company

None of our Group Companies and Entities is interested in the promotion of our Company.

Interest in the property of Our Company

Except as disclosed in the chapters titled “Business Overview” beginning on page 89 and “Financial Statements –Related Party Transactions” beginning on page 176 of this Prospectus, our Group Companies and Entities do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Prospectus.

Interest in the transaction involving acquisition of land

Except as disclosed in the chapters titled “Business Overview” beginning on page 89 and “Financial Statements –Related Party Transactions” on page 176 of this Prospectus, none of our Group Companies and Entities were interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the board of directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Fiscal Years or out of both.

Our Company does not have a formal dividend policy. Any dividends declared are recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Our Company has not paid any dividend in the previous five Financial Years.

Dividends are payable within 30 days of approval by the Equity Shareholders at its annual general meeting. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS AUDITOR'S REPORT

Auditor's Report as required by Part II of Schedule II to the companies Act, 1956.

**To,
The Board of Directors
Chemtech Industrial Valves Limited
105, Hiranandani Industrial Estate
Opposite Kanjurmarg Railway Station
Kanjurmarg West
Mumbai - 78**

Dear Sirs,

Re.: Public Issue of Equity Shares of M/s. Chemtech Industrial Valves Limited

1. We have examined the Restated Financial information of M/s. Chemtech Industrial Valves Limited (Formerly M/s. Chemtech Industrial Valves Private Limited), Mumbai, annexed to this report for the purpose of inclusion in the offer document, signed by us for identification, in terms of our engagement agreed upon with you in accordance with our engagement letter dated 03-08-2013 in connection with the proposed issue of Equity Shares of the Company. The Restated Financial information has been approved by the Board of Directors of the Company, prepared in terms of the requirements of:
 - a) Paragraph B, Part II of Schedule II of the companies Act, 1956 ("the Act")
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date and related Clarifications
 - c) The Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India.
2. These Restated Financial information have been extracted by the Management from the financial statements for the year ended March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013. Audit for the financial year ended March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013 was conducted by us.
3. We have also examined the financial information of the Company for the year ended March 31st 2009, 2010, 2011, 2012 2013 and period ended 30th November 2013 prepared and approved by the Board of Directors for the purpose of disclosure in the offer documents of the company mentioned in Paragraph (1) above

The financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Engagement Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

Based on the above, we report that in our opinion and according to the information and explanations' given to us, we have found the same to be correct and the same have been accordingly used in the restated financial information appropriately.

4. In accordance with the requirements of Paragraph B of Part II of schedule II of the Act, the SEBI (ICDR) Regulations and terms of our engagements agreed with you, we further report that;
- a) The Restated Summary Statement of Assets and Liabilities of the Company, including as at March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013 examined by us, as set out in ANNEXURE I to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report.
 - b) The Restated Summary Statement of Profit or Loss of the Company for the year then ended, including for the year ended March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013 examined by us, as set out in ANNEXURE II to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report
 - c) The Restated Summary Statement of Cash Flow of the Company for the year then ended, including for the year ended March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013 examined by us, as set out in ANNEXURE III to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report
5. Based on above, we are of the opinion that that the restated financial information have been made after incorporating.
- i) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
 - ii) Adjustments for the material amounts in the respective financial years to which they relate.
 - iii) And there are no extra-ordinary items that need to be disclosed separately in the accounts.
 - iv) *The company has provided Gratuity liability of Rs. 7,56,059/- as at March 31st 2013 based on estimate received under LIC Group Gratuity (cash accumulation) scheme, and the said amount is debited to the profit and loss account for the year ended 31st March 2013, which includes the Gratuity Expense for earlier years in respect of past service of existing Employees as on 31st March 2013. However, No such policy has been subscribed by company till the reporting date and provision for the period ending 30 November 2013 is based on management estimate, which has been relied by us.*
- The company has not made any adjustment in respect of qualification referred to in our report on the accounts as at and for the year ended March 31st 2009, 2010, 2011 and 2012, in respect of non-provision of Gratuity liability as per Accounting Standard - 15, which is presently not quantifiable in absence of any Actuarial Valuation done by an independent actuary or by the management.*
- There are no other qualifications requiring adjustments.
6. We have also examined the following other Restated financial information set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company as at and for the year ended March 31st 2009, 2010, 2011, 2012, 2013 and period ended 30th November 2013.

- i) Statement of Fixed Assets and Capital Work in Progress, as Restated as appearing in **Annexure V** to this report.
- ii) Statement of Share Capital as appearing in Annexure VI to this report.
- iii) Statement of Reserves and Surplus, as Restated as appearing in Annexure VII to this report.
- iv) Statement of Other Liabilities And Provisions, as Restated as appearing in Annexure VIII to this report
- v) Statement of Short Term Borrowings and Long Term Borrowings, as Restated as appearing in **Annexure IX** to this report
- vi) Statement of Investments, as Restated as appearing in **Annexure X** to this report.
- vii) Statement of Sundry Debtors, as Restated enclosed as **Annexure XI** to this report
- viii) Statement of Other Non-Current Assets And Other Current Assets, as Restated as appearing in **Annexure XII** to this report
- ix) Statement of Loans and Advances, as Restated as appearing in **Annexure XIII** to this report
- x) Statement of Contingent Liabilities, as Restated as appearing in **Annexure XIV** to this report
- xi) Statement of Dividend paid/proposed included in **Annexure XV** to this report.
- xii) Statement of Revenue From Operations, as Restated as appearing in **Annexure XVI** to this report
- xiii) Statement of Other Income, as Restated as appearing in **Annexure XVII** to this report
- xiv) Statement of Increase or decrease in Stock in **Annexure XVIII** to this report
- xv) Statement of Tax Shelter included in **Annexure XIX** to this report
- xvi) Statement of Capitalizations as at November 30th 2013 included in **Annexure XX** to this report
- xvii) Statement of Accounting Ratios included in **Annexure XXI**.
- xviii) Statement of Related Parties Transactions, as Restated as appearing in **Annexure XXII** to this report

In our opinion the Restated financial information contained in Annexure I to XXII of this report read along with the Significant Accounting Policies, Notes to accounts and adjustments on account of change in policies and restatements as appearing in Annexure IV to this report along with regroupings as considered appropriate, and **subject to the qualification in the report referred to in paragraph 5(iv) above**, have been prepared in accordance with Paragraph B of Part II of Schedule II of the Companies Act, 1956 and the SEBI (ICDR) Regulations.

- 7. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company. Our report and should not be used for any other purpose except with our consent in writing.

For **S. P. JAIN & ASSOCIATES,**
Chartered Accountants

KAPIL JAIN
Partner
M. No.: 108521
Place: Mumbai
Date: 24/12/2013

ANNEXURE - I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in Indian Rupee)

Particulars		As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
I.	EQUITY AND LIABILITIES						
1	Shareholders' funds						
(a)	Share capital	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000
(b)	Reserves and surplus	1,41,87,545	3,49,38,846	2,61,95,483	1,89,57,040	1,08,91,443	60,27,739
		7,93,80,875	4,04,38,846	3,16,95,483	2,44,57,040	1,58,91,443	1,10,27,739
2	Non-current liabilities						
(a)	Long-term borrowings	10,53,13,095	9,54,28,239	8,91,62,051	2,43,72,110	1,51,98,173	10,68,701
(b)	Noncurrent Liabilities (Deferred Sales Tax)	29,47,911	29,47,911	32,44,827	34,78,477	36,71,177	37,28,000
(c)	Deferred tax liabilities	38,00,925	27,29,723	15,65,234	11,89,743	9,52,198	-
(d)	Long Term Provisions (Gratuity Payable)	9,07,271	7,56,059	-	-	-	-
		11,29,69,201	10,18,61,931	9,39,72,111	2,90,40,330	1,98,21,548	47,96,701
3	Current liabilities						
(a)	Short-term borrowings	3,61,43,305	8,07,33,241	4,68,06,621	4,91,46,708	3,67,37,238	2,13,64,229
(b)	Trade payables	3,92,41,999	2,64,73,061	3,93,93,954	2,12,47,382	2,94,64,495	2,38,94,802
(c)	Other current liabilities	2,04,84,436	2,30,15,105	1,51,43,036	1,03,97,472	55,51,302	79,78,615
(d)	Short-term provisions	5,25,000	24,87,572	24,75,000	7,85,000	13,00,000	1,82,730
		9,63,94,740	13,27,08,978	10,38,18,610	8,15,76,563	7,30,53,035	5,34,20,376
	TOTAL	28,87,44,816	27,50,09,756	22,94,86,204	13,50,73,933	10,87,66,026	6,92,44,816
II.	ASSETS						
1	Non-current assets						
(a)	Fixed assets						
(i)	Tangible assets						
	Net block	15,38,13,426	15,74,28,498	3,23,61,509	2,89,05,543	3,49,09,673	1,45,27,024
	Less: Revaluation reserve Adjusted	(33,64,770)	(34,47,018)	(35,70,390)	-	-	(1,60,345)
(ii)	Capital work-in-progress	74,63,944	2,91,000	7,20,51,028	3,26,93,511	-	-
(b)	Non-current investments	5,37,752	5,37,752	5,37,752	5,37,752	2,87,752	2,87,752

	(c)	Deferred tax Assets	-	-	-	-	-	38,486
	(d)	Long Term Loans & Advances	3,04,710	3,03,710	59,110	31,600	31,600	56,830
	(e)	Other Non-current Assets	48,43,683	21,51,670	31,36,560	28,78,871	88,19,989	11,47,850
			16,35,98,745	15,72,65,612	10,45,75,569	6,50,47,277	4,40,49,014	1,58,97,597
2		Current assets						
	(a)	Inventories	4,78,49,351	6,79,56,966	4,77,89,579	3,50,74,843	3,29,39,476	2,24,91,701
	(b)	Trade receivables	6,58,99,540	3,69,00,254	6,98,24,765	2,52,87,284	2,59,87,484	2,32,96,547
	(c)	Cash and cash equivalents	42,64,075	71,03,357	24,16,507	52,33,407	48,61,577	67,26,148
	(d)	Short-term loans & advances	33,62,114	19,89,323	10,98,328	5,10,235	1,65,330	5,58,127
	(e)	Other current assets	37,70,991	37,94,243	37,81,455	39,20,887	7,63,145	2,74,696
			12,51,46,071	11,77,44,144	12,49,10,635	7,00,26,656	6,47,17,012	5,33,47,219
		TOTAL	28,87,44,816	27,50,09,756	22,94,86,204	13,50,73,933	10,87,66,026	6,92,44,816

ANNEXURE – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in Indian Rupee)

Sr. No.	Particulars	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
I	Income						
	<u>Revenue from operations :</u>						
	Sale of Manufactured Goods	8,15,91,053	11,16,81,652	14,62,66,351	8,97,14,458	8,80,77,980	5,36,23,193
	Sale of Traded Goods	15,92,33,556	10,06,20,730	-	-	-	-
	Sale of Services	-	-	3,58,340	-	-	-
	Total Sales Excluding Taxes	24,08,24,609	21,23,02,381	14,66,24,691	8,97,14,458	8,80,77,980	5,36,23,193
	Add: Duties & Taxes	1,11,63,308	1,45,54,420	1,99,16,464	1,16,19,530	1,01,55,363	86,26,506
	Total Sales	25,19,87,917	22,68,56,801	16,65,41,155	10,13,33,988	9,82,33,342	6,22,49,699
	Other income	54,76,184	5,19,976	11,61,063	6,31,987	5,14,280	4,22,242
	Total Revenue	25,74,64,101	22,73,76,777	16,77,02,218	10,19,65,975	9,87,47,622	6,26,71,941
II	Expenses						
	Cost of materials consumed	2,01,04,643	8,42,91,536	10,96,38,053	5,50,18,017	6,49,28,069	4,62,75,422
	Change in inventories of FG & WIP	2,55,77,353	(3,18,98,412)	(85,52,055)	63,08,734	(1,02,43,615)	(69,46,608)
	Purchases of traded goods	15,59,26,799	9,82,21,684	-	-	-	-
	Employee benefits expense	1,23,20,373	1,58,55,247	1,12,58,657	72,33,517	75,17,007	58,86,075
	Finance costs	1,57,55,607	1,73,98,609	89,67,417	77,24,746	42,41,451	27,62,461
	Depreciation and amortization expense	50,62,712	51,85,677	24,62,324	31,68,714	17,53,306	11,67,319
	Other expenses	2,04,07,608	2,57,74,771	3,32,82,408	2,35,86,691	2,33,70,546	1,30,26,363
	Total expenses	25,51,55,096	21,48,29,113	15,70,56,804	10,30,40,418	9,15,66,764	6,21,71,032
III	Profit before exceptional and extraordinary items and tax (I-II)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
IV	Exceptional items	-	-	-	-	-	-
V	Profit before extraordinary items and tax (III - IV)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
VI	Extraordinary Items	-	-	-	-	-	-
VII	Profit before tax (V-VI)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909

VIII	Tax expense:						
	(1) Current tax	5,25,000	26,39,811	30,79,895	74,828	13,26,885	1,99,041
	(2) Deferred tax Liability/(Assets)	10,71,201	11,64,489	3,75,491	2,37,545	9,90,684	9,348
	Total Tax Expense	15,96,201	38,04,300	34,55,386	3,12,373	23,17,569	2,08,389
IX	Profit (Loss) for the period (VII - VIII)	7,12,803	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521

ANNEXURE – III

STATEMENT OF CASH FLOW FROM RESTATED FINANCIAL STATEMENTS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
A. Cash flow from operating activities						
Net Profit / (Loss) before extraordinary items and tax	23,09,005	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
<u>Adjustments for:</u>						
Depreciation and amortisation	50,62,712	51,85,677	24,62,324	31,68,714	17,53,306	11,67,319
Loss on sale of Fixed assets	2,96,133	1,45,730	-	13,49,951	6,39,891	92,076
Preliminary Expenses	-	-	48,414	12,414	414	414
Provision for Gratuity	1,51,212	7,56,059	-	-	-	-
Finance costs	1,57,55,607	1,73,98,609	89,67,417	77,24,746	42,41,451	27,62,461
Sundry Balance Written back	(14,858)	(4,47,741)	-	(45,000)	-	(680)
Bad Debts	1,048	2,29,711	13,00,161	-	-	-
Interest Received	(1,57,567)	(3,97,709)	(3,09,942)	(4,79,709)	(2,20,572)	(2,09,404)
Dividend income	(38)	(38)	(55,497)	(34,538)	(15,038)	(15,079)
Operating Profit before Working capital changes	2,34,03,254	3,54,17,962	2,30,58,292	1,06,22,135	1,35,80,310	42,98,016
Adjusted for:						
Inventories	2,01,07,615	(2,01,67,387)	(1,27,14,736)	(21,35,367)	(1,04,47,775)	(80,70,820)
Trade receivables	(2,90,00,334)	3,26,94,800	(4,58,37,643)	7,00,200	(26,90,937)	(1,32,13,071)
Long Term Loans & Advances	(1,000)	(2,44,600)	(27,510)	-	25,230	-
Other Non-current Assets	(26,92,013)	19,02,890	(2,57,689)	59,41,118	(76,72,139)	(35,508)
Short-term loans and advances	(13,72,791)	(18,08,995)	(5,88,093)	(3,44,905)	3,92,797	(4,15,298)
Other current assets	23,252	(1,19,705)	(4,78,441)	(29,63,788)	(68,009)	2,372
Other Non-current Liabilities	-	(2,96,916)	(2,33,650)	(1,92,700)	(56,823)	-
Trade payables	1,27,83,796	(1,29,20,893)	1,81,46,572	(82,17,113)	55,69,693	1,40,70,419
Other current liabilities	(25,30,669)	83,19,810	47,45,563	48,91,170	(24,27,313)	49,11,974
Cash Generated from Operations	2,07,21,111	4,27,76,967	(1,41,87,336)	83,00,750	(37,94,967)	15,48,084
Taxes paid	24,87,572	25,20,322	7,72,022	8,43,779	6,30,055	16,311
Net Cash Generated from Operations	1,82,33,539	4,02,56,645	(1,49,59,358)	74,56,971	(44,25,022)	15,31,773

B. Cash flow from investing activities						
Purchase of Fixed assets	(20,85,920)	(5,85,48,740)	(23,47,900)	(1,08,80,057)	(2,31,95,604)	(35,40,008)
Service Tax Liability reimbursed by FA suppliers	1,94,900	-	-	-	-	-
Sale of Fixed assets	65,000	78,000	-	1,23,65,520	2,59,414	1,00,000
Addition in Capital work-in-progress	(71,72,944)	(2,91,000)	(3,93,57,517)	(3,26,93,511)	-	-
Purchase of Investments	-	-	-	(2,50,000)	-	-
Interest Received	1,57,567	3,97,709	3,09,942	4,79,709	2,20,572	2,09,404
Dividend received	38	38	55,497	34,538	15,038	15,079
Net cash used in investing activities:	(88,41,359)	(5,83,63,993)	(4,13,39,978)	(3,09,43,801)	(2,27,00,580)	(32,15,525)
C. Cash flow from financing activities						
Shares Issue during the year	2,66,93,330	-	-	5,00,000	-	-
Security Premium on shares issue	1,33,46,670	-	-	95,00,000	-	-
Share issue expenses	(18,10,775)	-	-	-	-	-
Proceeds from long-term borrowings	98,84,856	62,66,188	6,47,89,941	91,73,936	1,41,29,472	(15,57,734)
Proceeds from other short-term borrowings	(4,45,89,936)	3,39,26,620	(23,40,087)	1,24,09,470	1,53,73,009	97,20,202
Finance cost	(1,57,55,607)	(1,73,98,609)	(89,67,417)	(77,24,746)	(42,41,451)	(27,62,461)
Net cash used in financing activities	(1,22,31,462)	2,27,94,198	5,34,82,436	2,38,58,660	2,52,61,031	54,00,007
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(28,39,282)	46,86,850	(28,16,899)	3,71,830	(18,64,571)	37,16,255
Cash and cash equivalents at the beginning of the year	71,03,357	24,16,507	52,33,407	48,61,577	67,26,148	30,09,893
Cash and cash equivalents at the end of the year	42,64,075	71,03,357	24,16,508	52,33,407	48,61,577	67,26,148

ANNEXURE - IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The Company is following accrual basis of accounting as prescribed by Companies (Amendment) Act of 1988 on a ongoing concern basis.

b) Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that may affect the reported amount of assets and liabilities and disclosures relating to contingent liability as at the date of financial statements and the reported amount of income and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions, actual result could differ from these estimates.

c) Revenue Recognition

The revenue comprises of sales, services, interest, and rent.

1. Revenue is recognized to the extent it is probable those economic benefits will flow to the company and that the revenue can be reliably measured.
2. Sales of goods & services include applicable Excise duty, sales tax and service tax respectively.
3. Sales of Traded goods are recognized upon goods being dispatched and the ownership of the goods passes to buyer.
4. Sales of Services are recognized on accrual basis upon the completion of performance as per agreed terms with the buyer.

d) Purchases:

Purchases are accounted including excise duty and unutilized Excise Modvat as at the end of the Financial year is reduced from Raw Material Consumed in the Profit & Loss account.

Purchases are accounted including the VAT/CST. However at the end of year unadjusted VAT against VAT liability on sale is reduced from the Purchase Cost.

e) Excise / VAT/ CST Transactions

Excise duty, VAT, CST paid (after taking credit for taxed paid on inputs) is directly charged to Profit and Loss Account.

f) Fixed Assets

Fixed Assets are stated at cost less Depreciation. The cost of acquisition or construction includes direct expenditure incurred up to the date the asset is put to use. Temporary constructions/alterations are charged off to Profit and Loss Account.

g) Depreciation

Depreciation is charged at the rate provided in Schedule XIV of the Companies Act, 1956 on straight line method basis.

h) Investment:

Investments are stated at cost.

i) Valuation of inventories

Raw materials and components and unfinished goods are valued at cost. Finished Goods are valued at cost on Market Value, whichever is lower.

j) Employee Benefits

1. Defined benefit plans

- i. **Gratuity:** For the year ended 31st March 2013 Company has provided for the Gratuity Liabilities based on estimate received from LIC under group gratuity scheme however, no such policy has been subscribed by company till the reporting date. For the period ending 30th November 2013 the gratuity liability has been provided based on reasonable management estimates prior to the Financial Year 2012-13 Gratuity is accounted on Cash Basis
- ii. **Leave Salary:** Leave Salary encashment of employees is provided on the credit leave as on the end of the balance sheet date.

2. Defined Contribution plans

Provident Fund liability contributed by the company is provided and recognized as expenditure on the basis of actual liability accrued and paid to the trust/authority.

k) Foreign Currency transactions:

Transaction in foreign currency for purchase and sales are accounted at the rate prevailing on the date of transaction. The difference arising on the date of actual receipt or payment is accounted as exchange fluctuation profit or loss as the case may be. Year ended balance in foreign currency valued at the exchange rate prevailing on the balance sheet date.

l) Lease Rentals:

Lease Rentals for assets taken on operating lease are recognized as on expenses in Profit and Loss Account over the lease term on accrual basis.

m) Provision for Current & Deferred Tax

Provision for Current Tax is made after taking into Consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted on balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is reasonably certainty that the assets will be realized in future

n) Borrowing Cost

Borrowing Cost in relation to the acquisition construction of Assets are capitalized as the part of cost of such assets up to date which such assets are ready for intended use. Other Borrowing cost are charge as an expense in the year in which they are incurred.

o) Impairment of Assets

An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account. In the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

B) NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENTS

4.1 NOTES ON ADJUSTMENTS

Summary of results of restatements made in audited financial statements of the Company for the respective years and their impact on the profits/ (losses) of the Company is as under:

(Amount in Indian Rupee)

Adjustment For	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
(A) Net Profit as per audited financial statements	2,15,223	77,24,005	90,94,704	11,04,627	44,09,390	6,37,843
Adjustments due to change in accounting policy						
Change in accounting policy (refer note no 4.1.1 below)		-	-	(41,34,144)	-	-
Depreciation on above (refer note no 4.1.2 below)					10,65,797	6,85,219
Loss on sale of FA (refer note no 4.1.3 below)		-	-	-	(6,39,891)	(20,163)
Profit on sale FA (refer note no 4.1.4 below)		-	-	-	(16,090)	-
Revaluation Reserve Adjusted with opening Balance (refer note no 4.1.5 below)				(6,05,945)		(1,17,493)
Other adjustment						
Prior period items (Refer note no 4.1.6 below)	-	10,78,225	(7,66,946)	(3,11,279)	-	-
Liquidated Damages Charges Expenses (Refer note no 4.1.7 below)	1,33,431	13,05,700	(13,39,816)	2,47,772	3,27,750	(4,02,964)
Liquidated Damages Charges Income (Refer note no 4.1.7 below)	(3,04,675)	(1,84,295)	4,88,970	-	-	-
Bad Debts (Refer note no 4.1.8 below)		(6,673)	10,68,201	(1,36,183)	(1,14,623)	(3,46,661)

W/off expenses (Refer note no 4.1.9 below)		-	-	-	30,566	(3,608)
Sundry balance w/ff income (Refer note no 4.1.9below)	(23,747)	(3,85,621)	96,899	(34,427)	-	-
Regrouping of Miscellaneous Expenses Written Off During the year (Refer note no 4.1.10 below)			(48,414)			
Vat liability for 2011-12 (Refer note no 4.1.11 below)		-	(8,05,115)	-	-	-
(B) Total adjustments	(1,94,991)	18,07,337	(13,06,221)	(49,74,206)	6,53,509	(2,05,670)
(C) Tax impact of adjustments						
Adjustment of Short Provision for Tax (Refer note no 4.1.12 below)	6,92,572	(6,35,739)	(34,082)	20,445	(24,948)	(13,857)
MAT entitlement (Refer note no 4.1.13 below)		(1,52,239)	(5,64,373)	7,16,612	-	-
Deferred tax Liability/(Assets) (Refer note no 4.1.14 below)		-	-	17,45,706	(1,74,662)	(1,25,796)
	6,92,572	(7,87,978)	(5,98,455)	24,82,763	(1,99,610)	(1,39,653)
(D) Total adjustments net of taxes (B+C)	4,97,581	10,19,359	(19,04,676)	(24,91,443)	4,53,899	(3,45,323)
Restated Profit (A + D)	7,12,804	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521

4.1.1 Till the Year March 31 2010 depreciation was charged as per the rates of Written down value Method under Companies Act 1956. From The Year ended March 31 2011 Depreciation has been Charged on the basis of rates of Straight Line Method under Companies Act with retrospective effect. This Change in policy about the method/rate of Depreciation has been effected on 31/03/2011. However for the purpose of restated Financial Statements the Written Down Value of Assets as on 01/04/2008 has been recomputed and adjusted based on the revised rates of depreciation on fixed Assets (due to change in method of charging depreciation) with corresponding adjustment in the opening Surplus from Profit & Loss as on 01/04/2008. Accordingly the effect of change in policy in the Profit and loss Account for the financial year ended 31/03/2011 has been adjusted .

4.1.2 The depreciation have been recomputed and adjusted based on the revised rates(due to change in method of charging depreciation) on Fixed Assets for the year ended 31/03/2009 and 31/03/2010.

4.1.3 The Loss on Sale of Fixed Asset have been recomputed and adjusted based on the revised Written Down Values (due to change in method of charging depreciation) for the year ended 31/03/2009 and 31/03/2010.

- 4.1.4 The Profit on Sale of Fixed Asset have been recomputed and adjusted based on the revised Written Down Values (due to change in method of charging depreciation) for the year ended 31/03/2009 and 31/03/2010.
- 4.1.5 The Carrying Amount in the revaluation reserve created in Financial Year 2000-2001 has been reduced from the Opening Surplus from Profit & Loss A/c. as on March 31 2008 and the income reflected in the Financial year ended 31/03/2009, 31/03/2010, 31/03/2011 has been adjusted and restated accordingly
- 4.1.6 In the financial statements for the year ended March 31 2013 certain items of income / expenses have been identified as prior period items. For the purpose of this restatement, such prior period items have been appropriately adjusted in respective years
- 4.1.7 In the financial statements for the year ended March 31 2013,2012,2011,2010,2009 certain items of income / expenses have been identified as Liquidated Damages received/paid which are in relation to the transaction of other Financial years. For the purpose of this restatement, such Liquidated received /paid have been appropriately adjusted in respective years and the balance brought forward in opening surplus from profit & loss account as at 31/03/2008
- 4.1.8 In the financial statements for the year ended March 31 2013,2012,2011,2010,2009 certain items of income / expenses have been identified as Bad debts which are in relation to the transaction of Other Financial years. For the purpose of this restatement, such Bad debts have been appropriately adjusted in respective years and the balance brought forward in opening surplus from profit & loss account as at 31/03/2008
- 4.1.9 In the financial statements for the year ended March 31 2013,2012,2011,2010,2009 certain items of income / expenses have been identified as Balance W/off which are in relation to the transaction of Prior years. For the purpose of this restatement, such Balance W/off have been appropriately adjusted in respective years and the balance brought forward in opening surplus from profit & loss account as at 31/03/2008
- 4.1.10 In the financial statements for the year ended March 31 2012 the Miscellaneous Expenses W/off Comprising of Preliminary Expense and Share issue Expense were reduced from the Reserves and surplus, which has been regrouped in the restated Statement of Profit & Loss, as Other Expenses and the effect has been adjusted accordingly
- 4.1.11 For the financial statements for the year ended March 31 2012 Company has received a Recommendation in Vat Audit Report to pay the VAT amount, the liability of which was not recorded in the financial Statements that year. For the purpose of this restatement, such liability have been appropriately adjusted in Financial year ended 31/03/2012
- 4.1.12 Profit or Loss account of some years include amount paid in respect of short fall / short provision of tax which has now been adjusted in the respective years. The short provision for tax pertaining to the period prior to 31/03/2008 has been adjusted with Opening Surplus of Profit & loss Account as at 31/03/2008
- 4.1.13 During the Financial Year 31/03/2011 the Income Tax paid under MAT has been provided as expense for the year, which has been adjusted against tax liability of Financial year 2011-12 , 2012-13. For the purpose of restatement the tax paid under MAT has been recognized as asset and the provision for tax has been adjusted to that extent. The same has been reversed in subsequent years
- 4.1.14 The Deferred Tax has been computed on adjustment made as detailed above and has been adjusted in the restated Profit & loss for the year ended 31/03/2009,2010,2011,2012,2013 and the balance brought forward in Opening Surplus of Profit & Loss A/c as at 31/03/2008

4.1.15 In the Financial year ended 31/03/2013, the Company has recognized the sales tax liability payable under deferment scheme of Govt. of Maharashtra which is accumulated for the notified period prior to 31/03/2008, and which was earlier included in the sales of the Corresponding earlier years. This amount of liability (net of deferred tax assets) is therefore reduced from the opening surplus from profit and loss account as at 31/03/2008.

(Amount in Indian Rupee)

Surplus of Profit & Loss A/c	Amount (in Rs.)
Opening balance as at 31/03/2008 (audited)	(23,82,447)
Change in accounting policy (refer note no 4.1.1 above)	29,56,353
Revaluation Reserve Adjusted with opening Balance (refer note no 4.1.5 above)	21,62,238
Liquidated Damages received / paid (Refer note no 4.1.7 above)	(2,71,873)
Bad Debts (Refer note no 4.1.8 below)	(4,64,061)
W/off expenses (Refer note no 4.1.9 below)	(26,958)
Sundry balance w/ff income (Refer note no 4.1.9 below)	3,46,896
Adjustment of Short Provision for Tax (Refer note no 4.1.12 below)	(4,391)
Deferred tax Liability/(Assets) (Refer note no 4.1.14 above)	(14,45,248)
(-) Reinstatement of Deferred Sales Tax Liability(Refer note no 4.1.15 above)	(37,28,000)
(+) Deferred Tax Assets on deferred Sales Tax Liability (Refer note no 4.1.15 above)	11,51,952
Reinstated Surplus from Profit & Loss As on 31/03/2008	(17,05,539)

Adjustment Having no Impact on Profit/Loss

4.2 MATERIAL REGROUPING AND NOTES

4.2.1 Up to the year ended 31/03/2012, retention money, which is realisable on the satisfactory completion of the project, was included under the group Other assets. For the year ended 2013 the current Portion of retention money has been classified as trade receivables. In the statement of Assets & liabilities as restated, for the years ended 31/03/2009,2010,2011,2012,2013 and for the 8 months period ended as on 30 November 2013 such current portion of retention money has been regrouped and disclosed as trade receivables and the non current Portion of retention money is disclosed as Other non current assets

4.2.2 The Financial statements for the year ended March 31, 2009, 2010, 2011 had been prepared as per the then applicable, pre-revised schedule VI to the Companies Act 1956, the financial statements for the purpose of restatement are prepared as per Revised Schedule VI. Accordingly, the figures for the year ended 2009, 2010and 2011 have also been reclassified to conform to the revised schedule VI classification.

4.2.3 Current Assets, Loans & Advances:

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realisable in the ordinary course of business. The Provision for all known liabilities is adequate.

Balances of sundry debtors, sundry creditors, and loans and advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustment.

4.3 MANAGERIAL REMUNERATION

(Amount in Indian Rupee)

PARTICULARS	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
Salary	16,72,891	17,74,243	17,57,112	14,58,996	8,70,174	6,31,623

4.4 AUDITOR REMUNERATION

(Amount in Indian Rupee)

PARTICULARS	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
AUDIT FEES	-	1,12,360	16,854	16,545	16,545	11,030
TAX AUDIT FEES	-	28,090	16,854	16,545	16,545	5,515
OTHER SERVICES	54,774	90,732	20,961	20,959	19,885	25,618
TOTAL	54,774	2,31,182	54,669	54,049	52,975	42,163

4.5 TAXES ON INCOME:

In Terms of Accounting Standard on "Accounting for Taxes on Income" (AS 22) the company has recognised net Deferred Tax Liabilities/ (Assets) as on 30th November 2013, 31st March, 2013, 31st March, 2012, 31st March, 2011, 31st March, 2010 and 31st March 2009 are as follows:

(Amount in Indian Rupee)

Deferred Tax Liability / Assets	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Opening Balance of Deferred Liabilities	27,29,723	15,65,234	11,89,743	9,52,198	(38,486)	(47,834)
On account of Depreciation	10,79,519	15,48,136	3,75,491	2,23,698	6,74,558	3,39,321
On account of Disallowed Expenses	(8,317)	(3,83,647)	-	13,847	3,16,126	(3,29,973)
Deferred Tax Liability/(Assets) [Net]	38,00,925	27,29,723	15,65,234	11,89,743	9,52,198	(38,486)
a) Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.						

4.6 EARNING PER SHARE:

(Amount in Indian Rupee, Except Per Share Data)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
A) Weighted average number of equity shares of Rs. 10/- each						
I) Number of shares at the beginning of the year (See Note iii)	38,50,000	38,50,000	38,50,000	35,00,000	35,00,000	35,00,000
II) Number of shares at the end of the year	65,19,333	38,50,000	38,50,000	38,50,000	35,00,000	35,00,000
III) Weighted average number of Equity Shares outstanding during the year	55,18,333	38,50,000	38,50,000	35,00,959	35,00,000	35,00,000
IV) Weighted average number of Potential Equity Shares outstanding during the year	-	-	-	-	-	-

V) Weighted average number of Equity Shares for calculating diluted EPS	55,18,333	38,50,000	38,50,000	35,00,959	35,00,000	35,00,000
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (In Lacs)	7,12,803	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521
C) Basic earning per share (in rupees) {B/A (III)}*	0.13	2.27	1.87	(0.40)	1.39	0.08
D) Diluted earning per share (in rupees) {B/A (V)} *	0.13	2.27	1.87	(0.40)	1.39	0.08
The Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earnings per share of the company remain the same.						
Earnings per share (EPS) is calculated after adjusting for bonus equity shares issued, with retrospective effect as provided in Accounting Standard (AS –20) – Earning Per Share, issued by the Institute of Chartered Accountant of India.						

4.7 SEGMENT REPORTING as Restated as per Accounting standard 17:

a. Primary Segment

During the Financial year 2012-13 and period ended 30th November 2013, the Company has broadly identified two segments namely “Manufacturing of industrial valves” and “Trading of Steel Wire Rod”.

(Amount in Indian Rupee)

PARTICULARS	Year Ended 31.03.2013			
	Manufacturing	Trading	Others unallocable	Total
Segment Revenue				
Sales to External Customers	12,62,36,071	10,06,20,730	-	22,68,56,801
Other Income	86,566	-	4,33,410	5,19,976
Total Revenue	12,63,22,637	10,06,20,730	4,33,410	22,73,76,777
Less:				
Allocated Expenditure	7,82,11,646	9,82,21,684	1,58,11,497	19,22,44,827
Depreciation	44,04,665	---	7,81,012	51,85,677
Interest	1,73,98,609	---	---	1,73,98,609
Segment Profit	2,63,07,717	23,99,046	(1,61,59,099)	1,25,47,664
Other Information				
Segment Assets	26,13,86,085	---	1,36,23,667	27,50,09,752
Segment Liabilities	22,85,97,553	---	59,73,353	23,45,70,906
Capital Employed	3,27,88,532	---	76,50,314	4,04,38,846

PARTICULARS	Period Ended 30.11.2013			
	Manufacturing	Trading	Others unallocable	Total
Segment Revenue				
Sales to External Customers	9,27,54,361	15,92,33,556	-	25,19,87,917
Other Income	95,852	-	53,80,332	54,76,184
Total Revenue	9,28,50,213	15,92,33,556	53,80,332	25,74,64,101
Less:				
Allocated Expenditure	6,66,05,638	15,59,26,799	1,18,04,339	23,43,36,776
Depreciation	43,40,692	-	7,22,020	50,62,712
Interest	1,57,55,607	-	-	1,57,55,607
Segment Profit	61,48,275	33,06,757	(71,46,028)	23,09,005
Other Information				
Segment Assets	22,91,60,702	3,26,52,426	2,69,31,687	28,87,44,816
Segment Liabilities	17,09,77,112	3,17,01,385	66,85,444	20,93,63,941
Capital Employed	5,81,83,590	9,51,041	2,02,46,243	7,93,80,875

b. Secondary Segment

For the Financial Year 2012-13 and Period ended 30 November 2013 the trading activity constitutes the export of goods outside India and therefore the primary segment and the secondary segments are the same. Besides the Company has exported manufacture goods of Rs.7,15,005/- & 19,18,022/- respectively which is significantly low vis-a-vis the total enterprise revenue. Therefore there is no reportable secondary segment in respect of geographical segment.

Note: There are no Reportable segments for the Financial Year Ended March 31st 2009, 2010, 2011, 2012

4.8 SHARE CAPITAL

Details of Share Capital

(Amount in Indian Rupee)

Share Capital	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
Authorised						
Equity Shares of Rs.10 each	12,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	50,00,000	50,00,000
Issued	-					
Equity Shares of Rs.10 each	-	-	-	-	-	-
Subscribed & fully Paid up						
Equity Shares of Rs.10 each fully paid	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000
Total	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000
As on date of signing accounts, the Company has an Authorised Capital of Rs. 12,00,00,000 (divided in to 1,20,00,000 Equity Shares of Rs. 10/- each) and Paid Up Capital of Rs 6,51,93,330 (divided in to 6519333 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs 3,30,00,000 (33,00,000 Equity Shares of Rs. 10/- each) were issued as fully paid up bonus shares by capitalisation of Reserves in the year 2013-14.						

Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	Equity Shares					
	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
Shares outstanding at the beginning of the year	5,50,000	5,50,000	5,50,000	5,00,000	5,00,000	5,00,000
Shares Issued during the year	59,69,333	-	-	50,000	-	-
Shares bought back during the year	-	-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Shares outstanding at the end of the year	65,19,333	5,50,000	5,50,000	5,50,000	5,00,000	5,00,000

Details of share holding more than 5 % of the aggregate shares in the company

Name of Shareholder	As at 30 Nov 2013		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011		As at 31 March 2010		As at 31 March 2009	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ignatious C. David	12,98,500	19.92	1,85,500	33.73	1,85,500	33.73	1,85,500	33.73	1,85,500	37.10	-	-
Pradeep S Badkur	12,60,763	19.34	84,490	15.36	84,500	15.36	84,500	15.36	84,500	16.90	-	-
Namrata P Badkur	14,54,166	22.31	1,12,500	20.45	1,12,500	20.45	1,12,500	20.45	1,12,500	22.50	-	-
Harsh P Badkur	13,14,166	20.16	92,500	16.82	92,500	16.82	92,500	16.82	92,500	18.50	-	-
Jimmy C Ignatious	-	-	-	-	-	-	-	-	25,000	5.00	-	-
R. Fernandes	-	-	-	-	-	-	-	-	-	-	42,500	8.50
Nemichand Jain	-	-	-	-	-	-	-	-	-	-	40,000	8.00
Radhika Mehta	-	-	-	-	-	-	-	-	-	-	27,900	5.58
Refine Marketing Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	2,50,000	50.00
Hindustan Continental Ltd.	-	-	-	-	50,000	9.09	50,000	9.09	-	-	-	-
Puneet Badkur	10,16,668	15.59	50,000	9.09	-	-	-	-	-	-	-	-

NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT

ANNEXURE V

Statement of fixed assets, as Restated

Particulars	Tangible Assets								
	Land	Furniture & Fixtures	Buildings	Office Equipment	Computer	Motor Car	Pattern	Machinery	Electric Installation
Cost									
Balance as at April 01, 2008	-	11,45,420	31,06,487	5,29,827	4,88,169	20,04,838	14,83,707	77,32,860	-
Addition	-	-	10,21,861	-	52,789	-	14,71,415	9,93,943	-
Disposal	-	-	-	-	-	(2,12,238)	-	-	-
Balance as at April 01, 2009	-	11,45,420	41,28,348	5,29,827	5,40,958	17,92,600	29,55,122	87,26,803	-
Addition	1,06,60,000	60,709	15,100	2,28,970	1,44,198	32,60,844	6,78,939	81,46,844	-
Disposal	-	-	-	-	-	-	-	(23,43,879)	-
Balance as at April 01, 2010	1,06,60,000	12,06,129	41,43,448	7,58,797	6,85,156	50,53,444	36,34,061	1,45,29,768	-
Addition	28,40,000	1,32,800	-	2,73,852	2,45,919	11,24,798	5,07,200	57,55,489	-
Disposal	(1,35,00,000)	-	(11,48,303)	-	-	(4,25,569)	-	(4,81,995)	-
Balance as at April 01, 2011	-	13,38,929	29,95,145	10,32,649	9,31,075	57,52,673	41,41,261	1,98,03,262	-
Addition	-	4,43,801	-	4,98,098	1,56,647	5,89,234	2,92,850	3,67,270	-
Acquired through business	-	-	36,93,762	-	-	-	-	-	-
Balance as at March 31, 2012	-	17,82,730	66,88,908	15,30,747	10,87,722	63,41,907	44,34,111	2,01,70,532	-
Addition	1,69,24,170	58,48,687	7,56,38,012	8,50,225	1,43,709	-	2,39,508	2,73,40,019	36,15,438
Disposal & Transfer	-	-	-	(3,86,478)	-	(5,19,798)	3,86,478	-	-
Balance as at March 31, 2013	1,69,24,170	76,31,417	8,23,26,920	19,94,494	12,31,431	58,22,109	50,60,097	4,75,10,551	36,15,438
Addition	-	32,950	6,82,524	1,12,427	1,82,000	-	1,24,000	5,76,019	3,76,000
Disposal	-	-	(1,94,900)	-	-	(8,47,233)	-	-	-
Balance as at November 30, 2013	1,69,24,170	76,64,367	8,28,14,544	21,06,921	14,13,431	49,74,876	51,84,097	4,80,86,570	39,91,438

Accumulated Depreciation									
Balance as at April 01, 2008	-	1,25,956	6,25,606	1,66,145	2,07,943	2,47,143	7,56,108	20,15,997	-
Depreciation for the year	-	72,505	1,37,887	25,508	80,432	1,80,378	2,78,878	3,91,732	-
Disposal	-	-	-	-	-	(20,163)	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Balance as at April 01, 2009	-	1,98,461	7,63,493	1,91,653	2,88,375	4,07,358	10,34,986	24,07,729	-
Depreciation for the year	-	75,634	1,38,389	36,238	1,02,034	3,33,339	4,33,858	6,33,815	-
Disposal	-	-	-	-	-	-	-	(12,84,229)	-
Adjustments	-	-	-	-	-	-	-	-	-
Balance as at April 01, 2010	-	2,74,095	9,01,882	2,27,891	3,90,409	7,40,697	14,68,844	17,57,315	-
Depreciation for the year	-	79,927	9,03,161	39,709	1,20,983	5,08,958	5,03,246	10,12,731	-
Disposal	-	-	(11,48,303)	-	-	(2,10,098)	-	(4,81,994)	-
Adjustments	-	-	-	-	-	-	-	-	-
Balance as at April 01, 2011	-	3,54,021	6,56,740	2,67,600	5,11,392	10,39,557	19,72,090	22,88,051	-
Depreciation for the year	-	89,159	1,00,038	58,411	1,28,636	5,88,052	5,49,587	9,48,441	-
Disposal	-	-	-	-	-	-	-	-	-
Adjustments	-	-	1,23,372	-	-	-	-	-	-
Balance as at April 01, 2012	-	4,43,180	8,80,150	3,26,011	6,40,028	16,27,609	25,21,677	32,36,492	-
Depreciation for the year	-	2,81,610	11,48,412	75,630	1,31,707	5,73,676	6,16,192	24,28,234	53,590
Disposal	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	(13,115)	-	(2,96,067)	13,115	-	-
Balance as at April 01, 2013	-	7,24,790	20,28,562	3,88,525	7,71,735	19,05,217	31,50,984	56,64,726	53,590
Depreciation for the year	-	3,22,448	15,09,467	64,374	88,181	3,35,197	3,82,796	23,60,445	82,050
Disposal	-	-	-	-	-	(4,86,100)	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Balance as at December 01, 2013	-	10,47,239	35,38,029	4,52,899	8,59,916	17,54,314	35,33,779	80,25,172	1,35,640

CARRYING AMOUNTS									
As at 31 March 2009	-	9,46,959	33,64,855	3,38,174	2,52,583	13,85,242	19,20,136	63,19,074	-
As at 31 March 2010	1,06,60,000	9,32,034	32,41,566	5,30,906	2,94,747	43,12,747	21,65,217	1,27,72,453	-
As at 31 March 2011	-	9,84,908	23,38,405	7,65,049	4,19,683	47,13,116	21,69,171	1,75,15,211	-
As at 31 March 2012	-	13,39,550	58,08,758	12,04,736	4,47,694	47,14,298	19,12,434	1,69,34,040	-
As at 31 March 2013	1,69,24,170	69,06,627	8,02,98,358	16,05,969	4,59,696	39,16,892	19,09,113	4,18,45,825	35,61,848
As at 30 Nov 2013	1,69,24,170	66,17,128	7,92,76,515	16,54,022	5,53,515	32,20,562	16,50,318	4,00,61,398	38,55,798

Statement of capital work -in-progress, as Restated

(Amount in Indian Rupee)

Particulars	As at 31 March					
	As at 31-March-2009	As at 31-March-2010	As at 31-March-2011	As at 31-March-2012	As at 31-March-2013	As at 30-Nov-2013
CAPITAL WORK-IN-PROGRESS						
Land & Building	-	-	1,89,53,511	4,34,06,148	-	-
ERP Software	-	-	-	-	2,91,000	3,53,000
Plant & Machinery	-	-	1,36,55,000	2,57,25,302	-	-
Professional fees	-	-	85,000	-	-	-
Electricity Expenses	-	-	-	5,40,810	-	-
Security Expenses	-	-	-	2,92,773	-	-
Furniture at Thane office	-	-	-	-	-	71,10,944
Staff Welfare	-	-	-	57,315	-	-
Interest	-	-	-	20,28,680	-	-
Total	-	-	3,26,93,511	7,20,51,028	2,91,000	74,63,944

ANNEXURE - VI

DETAILS OF SHARE CAPITAL

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
<u>Authorised:</u>						
1200000 Equity Shares of Rs.10 each	12,00,00,000	-	-	-	-	-
1000000 Equity Shares of Rs.10 each	-	1,00,00,000	-	-	-	-
1000000 Equity Shares of Rs.10 each	-	-	1,00,00,000	-	-	-
1000000 Equity Shares of Rs.10 each	-	-	-	1,00,00,000	-	-
500000 Equity Shares of Rs.10 each	-	-	-	-	50,00,000	-
500000 Equity Shares of Rs.10 each	-	-	-	-	-	50,00,000
Total :	12,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	50,00,000	50,00,000
<u>Issued, Subscribed, & Paid up:</u>						
6519333 Equity Shares of Rs.10 each	6,51,93,330	-	-	-	-	-
550000 Equity Shares of Rs.10 each	-	55,00,000	-	-	-	-
550000 Equity Shares of Rs.10 each	-	-	55,00,000	-	-	-
550000 Equity Shares of Rs.10 each	-	-	-	55,00,000	-	-
500000 Equity Shares of Rs.10 each	-	-	-	-	50,00,000	-
500000 Equity Shares of Rs.10 each	-	-	-	-	-	50,00,000
Total :	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000

Note:-

- 1) The Company has issued 33,00,000 Equity Shares of Rs. 10/- each as fully paid up bonus shares by capitalisation of Reserves in the year 2013-14.

ANNEXURE – VII

DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
<u>Revaluation Reserve</u>						
As per last Balance Sheet	34,47,018	35,70,390	-	-	1,60,345	16,13,717
Add: Revaluation of factory premises	-	-	36,93,762	-	-	-
Less: Sale of Revalued asset	-	-	-	-	1,60,345	-
Less: Depreciation on revalued assets	82,248	1,23,372	1,23,372	-	-	14,53,372
Reduced From Fixed Assets	(33,64,770)	(34,47,018)	(35,70,390)	-	-	(1,60,345)
	-	-	-	-	-	-
<u>Securities Premium</u>						
As per last Balance Sheet	1,69,42,000	1,69,42,000	1,69,42,000	74,42,000	74,42,000	74,42,000
Add: Received securities premium on share issue	1,33,46,670	-	-	95,00,000	-	-
Less: Share issue & Proposed IPO expenses	18,10,775	-	-	-	-	-
Less: Utilise for bonus shares	1,69,42,000	-	-	-	-	-
	1,15,35,895	1,69,42,000	1,69,42,000	1,69,42,000	74,42,000	74,42,000
<u>Profit & Loss Account</u>						
Opening Balance	1,79,96,846	92,53,483	20,63,454	34,50,271	(14,13,018)	(17,05,539)
Additions/(loss) during the year	7,12,803	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521
Utilised for bonus shares	(1,60,58,000)	-	-	-	-	-
Closing Balance	26,51,650	1,79,96,846	92,53,483	20,63,454	34,50,271	(14,13,018)
Less: Misc Expense to the extent not written off adjusted	-	-	-	(48,414)	(828)	(1,243)
Total :	1,41,87,545	3,49,38,846	2,61,95,483	1,89,57,040	1,08,91,443	60,27,739

ANNEXURE – VIII

OTHER LIABILITIES AND PROVISIONS

1. Other Liabilities

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Noncurrent Liabilities						
Deferred Sales Tax	29,47,911	29,47,911	32,44,827	34,78,477	36,71,177	37,28,000
Total	29,47,911	29,47,911	32,44,827	34,78,477	36,71,177	37,28,000
Current Liabilities						
i) Current maturities of long term debts-Secured	1,10,80,912	1,00,43,897	22,86,867	9,10,427	11,99,854	15,57,734
ii) Current maturities of long term debts-Unsecured	16,35,084	37,75,804	29,89,170	25,49,242	-	-
iii) Interest accrued and due on Inter Corporate Deposits	-	-	24,20,752	-	-	-
iv) Interest accrued but not due on borrowings	5,92,451	4,37,004	4,17,204	1,07,094	-	-
v) Creditors for Capital goods	16,24,973	27,83,986	26,20,110	76,986	9,563	1,21,000
vi) Advance received against order	6,80,885	18,55,911	13,21,542	53,20,319	15,37,016	8,28,633
vii) Statutory Liabilities	32,15,570	25,00,871	21,51,102	9,29,655	7,99,813	11,70,081
viii) Other Payables	16,54,561	16,17,633	9,36,289	5,03,749	5,20,056	4,91,167
ix) Share application Money refundable	-	-	-	-	14,85,000	38,10,000
Total	2,04,84,436	2,30,15,105	1,51,43,036	1,03,97,472	55,51,302	79,78,615
Grand Total	2,34,32,347	2,59,63,016	1,83,87,863	1,38,75,949	92,22,479	1,17,06,615

2. Provisions

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Noncurrent Provisions						
Gratuity Payable	9,07,271	7,56,059	-	-	-	-
Total	9,07,271	7,56,059	-	-	-	-
Current Provisions						
Provision for Income Tax	5,25,000	24,87,572	24,75,000	7,85,000	13,00,000	1,82,730
Total	5,25,000	24,87,572	24,75,000	7,85,000	13,00,000	1,82,730
Grand Total	14,32,271	32,43,631	24,75,000	7,85,000	13,00,000	1,82,730

ANNEXURE – IX

SHORT TERM BORROWINGS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
<u>i) Secured</u>						
Working Capital Loan						
-Cash Credit From CKP. CO- OP BANK LTD	-	-	2,53,90,981	1,46,31,068	1,49,15,540	1,46,89,229
-IndusInd Bank	3,61,43,305	4,96,33,241	-	-	-	-
<u>ii) Unsecured</u>						
From Inter Corporate Deposit	-	3,11,00,000	2,14,15,640	3,45,15,640	1,70,35,790	66,75,000
From Related parties	-	-	-	-	47,85,908	-
Total	3,61,43,305	8,07,33,241	4,68,06,621	4,91,46,708	3,67,37,238	2,13,64,229

LONG TERM BORROWINGS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
<u>i) Secured</u>						
Term Loans (Motor Car) (From financial institutions and banks)	-	4,72,047	14,52,276	20,63,534	21,80,025	3,54,640
Term loans (From financial institutions and banks)	10,47,73,737	8,58,86,216	3,71,40,369	-	1,30,18,148	7,14,061
<u>ii) Unsecured</u>						
Term Loans (From financial institutions and banks)	5,39,357	15,69,976	20,69,406	50,58,576	-	-
From Related Parties	-	75,00,000	75,00,000	72,50,000	-	-
From Others	-	-	4,10,00,000	1,00,00,000	-	-
Total	10,53,13,095	9,54,28,239	8,91,62,051	2,43,72,110	1,51,98,173	10,68,701

Note: The Amount of Loan repayable in next 12 months after the end of respective Financial Year is classified as Current Maturities of long term debts under Other Current Liabilities IN Annexure VIII

ANNEXURE – X

STATEMENT OF INVESTMENT

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Quoted Shares	-	-	-	-	-	-
Unquoted Shares						
Bharat Co-op bank Ltd.	252	252	252	252	252	252
C.K.P Co-op bank Ltd.	5,37,500	5,37,500	5,37,500	5,37,500	2,87,500	2,87,500
Total :	5,37,752	5,37,752	5,37,752	5,37,752	2,87,752	2,87,752

ANNEXURE – XI

AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Considered Good						
More than six months	1,13,79,415	1,19,41,462	1,08,08,298	48,29,619	55,53,933	19,03,529
Less than six months	5,45,20,125	2,49,58,792	5,90,16,467	2,04,57,665	2,04,33,551	2,13,93,018
Total :	6,58,99,540	3,69,00,254	6,98,24,765	2,52,87,284	2,59,87,484	2,32,96,547

ANNEXURE – XII

OTHER ASSETS

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Other Non-current Assets						
i) Margin money with Bank	6,91,583	8,02,564	13,59,561	4,60,000	43,85,575	2,30,504
ii) Retention Money with clients	9,77,895	4,31,106	17,76,999	24,18,871	44,34,414	9,17,346
iii) Capital Advance	31,74,205	9,18,000	-	-	-	-
Total	48,43,683	21,51,670	31,36,560	28,78,871	88,19,989	11,47,850
Other Current Asset						
i) Security Deposits	3,04,626	1,50,631	3,17,529	1,00,600	96,500	87,958
ii) Prepaid Insurance	64,455	1,72,068	2,12,670	79,360	36,353	33,477
iii) Prepaid Membership and Sub.	20,000	14,583	-	-	-	-
iv) Accrued Interest on FD	1,21,760	-	-	-	-	-
v) Advance Taxes and Refund claims	3260150	34,56,961	32,51,256	37,40,927	6,30,292	1,53,261
Total	37,70,991	37,94,243	37,81,455	39,20,887	7,63,145	2,74,696
Grand Total	86,14,674	59,45,913	69,18,015	67,99,758	95,83,134	14,22,546

ANNEXURE – XIII

LOANS AND ADVANCES

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Long Term Loans & Advances						
Security Deposits (unsecured considered good)	3,04,710	3,03,710	59,110	31,600	31,600	56,830
Total	3,04,710	3,03,710	59,110	31,600	31,600	56,830
Short Term Loans & Advances						
i) Advances to related parties	13,42,166	13,19,166	5,21,902	22,940	57,943	2,68,212
ii) Advances to Staff	69,047	1,30,723	-	-	-	-
iii) Advances others	19,50,901	5,39,434	5,76,426	4,87,295	1,07,387	2,89,915
Total	33,62,114	19,89,323	10,98,328	5,10,235	1,65,330	5,58,127
Grand Total	36,66,824	22,93,033	11,57,438	5,41,835	1,96,930	6,14,957

ANNEXURE – XIV

CONTINGENT LIABILITIES

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Bank Guarantee	27,45,083	28,54,727	20,16,598	30,86,462	69,23,999	21,42,748
Total :	27,45,083	28,54,727	20,16,598	30,86,462	69,23,999	21,42,748

ANNEXURE – XV

STATEMENT OF DIVIDENDS PAID / PROPOSED

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Face Value per Equity Share (In Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Paid-Up Equity Share Capital	6,51,93,330	55,00,000	55,00,000	55,00,000	50,00,000	50,00,000
Proposed Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-

ANNEXURE – XVI

DETAIL OF OPERATIONAL INCOME

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
i) Sale of products						
Manufactured Goods						
Domestic	7,97,73,680	11,11,73,128	14,14,71,809	8,95,98,519	8,80,53,904	5,36,23,193
Exports	19,18,022	7,15,005	49,57,866	1,24,739	24,076	-
Less: Returns	(1,00,649)	(2,06,481)	(1,63,324)	(8,800)	-	-
Traded Goods						
Domestic	-	-	-	-	-	-
Exports	15,92,33,556	10,06,20,730	-	-	-	-
Total Sales excluding taxes	24,08,24,609	21,23,02,381	14,62,66,351	8,97,14,458	8,80,77,980	5,36,23,193
Add: Duties & Taxes	1,11,63,308	1,45,54,420	1,98,79,555	1,16,19,530	1,01,55,363	86,26,506
Total :	25,19,87,917	22,68,56,801	16,61,45,906	10,13,33,988	9,82,33,342	6,22,49,699
ii) Sale of services	-	-	-	-	-	-
Domestic	-	-	3,58,340	-	-	-
Exports	-	-	-	-	-	-
Add: Taxes	-	-	36,909	-	-	-
Total :	-	-	3,95,249	-	-	-
Total :	25,19,87,917	22,68,56,801	16,65,41,155	10,13,33,988	9,82,33,342	6,22,49,699
The Company follows the inclusive method of accounting sales and purchases i.e. by including the amount of Excise duty and VAT/CST in the sales as well as purchases. The payment of excise duty and VAT/CST (net of set off credit) is accounted as the expenditure in the Profit & Loss A/c.						

ANNEXURE – XVII

DETAILS OF OTHER INCOME

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Interest received	1,57,567	3,97,709	3,09,942	4,79,709	2,20,572	2,09,404
Discount Received	32,918	35,663	27,923	1,02,667	2,60,929	21,637
Dividend Income	38	38	55,497	34,538	15,038	15,079
Commission received	51,55,550	-	-	-	-	-
Sundry balances Written back	14,858	62,120	96,899	10,573	-	680
Liquidated Damages Received	-	24,446	5,49,570	4,500	17,741	1,75,442
Transport charges received	80,994					
Foreign Exchange Fluctuation (Net)	34,259	-	1,21,232	-	-	-
Total :	54,76,184	5,19,976	11,61,063	6,31,987	5,14,280	4,22,242

ANNEXURE – XVIII

DETAILS OF INCREASE / (DECREASE) IN STOCK

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Opening Stocks	5,88,79,956	2,69,81,544	1,84,29,489	2,47,38,223	1,44,94,608	75,48,000
Less: Closing Stocks	3,33,02,603	5,88,79,956	2,69,81,544	1,84,29,489	2,47,38,223	1,44,94,608
	2,55,77,353	(3,18,98,412)	(85,52,055)	63,08,734	(1,02,43,615)	(69,46,608)

ANNEXURE – XIX

TAX SHELTER STATEMENT

(Amount in Indian Rupee)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Tax Rate	30%	30%	30%	30%	30%	30%
Surcharge						
Educational Cess	3%	3%	3%	3%	3%	3%
Effective Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Net Profit before Tax, as Restated (A)	23,09,004	1,25,47,664	1,06,45,414	(10,74,443)	71,80,858	5,00,909
Tax at Notional Rate (B)	7,13,482	38,77,228	32,89,433	(3,32,003)	22,18,885	1,54,781
Adjustments :						
<u>Timing Difference</u>						
Depreciation as per Companies Act	50,62,712	51,85,677	24,62,324	31,68,714	17,53,306	11,67,319
Depreciation as per Income tax Act	88,52,434	1,03,41,560	36,77,504	39,81,127	43,47,262	14,13,883
Difference between Tax Depreciation and Book Depreciation	(37,89,721)	(51,55,883)	(12,15,180)	(8,12,413)	(25,93,956)	(2,46,564)
Difference between Preliminary Expenses written of and allowance u/s 35D	-	-	-	-	-	-
Expenses disallowed u/s 40 (a) (ia) (Net)	-	-	-	-	(4,68,619)	4,84,432
Gratuity	1,51,212	7,56,059	-	-	-	-
Expenses Disallowed due to non-payment of statutory liabilities on time u/s 43B	-	4,85,518	-	-	(5,54,441)	5,54,441
Deferred Revenue Expenditure	-	-	-	-	-	-
Total Timing Difference (C)	(36,38,509)	(39,14,306)	(12,15,180)	(8,12,413)	(36,17,016)	7,92,309

<u>Permanent Difference</u>						
Donation (Net off deduction u/s 80G)	-	2,001	21,000	-	16,500	-
Interest on late Payment of Taxes	-	-	-	-	-	-
Loss on sale/discard of fixed Assets	2,96,133	1,45,730		88,471	6,39,891	92,076
Disallowance of expenses u/s 37	-	-	-	-	-	-
Expenses disallowed u/s 40 A	-	-	-	1,14,549	-	-
Disallowance u /s 40 (a)	-	-	-	-	-	-
Share issue expenses written off	-	-	-	-	-	-
Diminution in value of investments	-	-	-	-	-	-
Dividend from Mutual Fund/investments	(38)	(38)	(55,497)	(34,538)	(15,038)	(15,079)
Miscellaneous expenses	-	-	-	-	-	-
Prior Period Items	-	-	-	-	-	-
Total Permanent Difference (D)	2,96,095	1,47,693	(34,497)	1,68,482	6,41,353	76,997
Total Difference (E=C+D)	(33,42,414)	(37,66,613)	(12,49,677)	(6,43,931)	(29,75,663)	8,69,306
Total Taxable income (F= A+E)	(10,33,410)	87,81,051	93,95,737	(17,18,374)	42,05,195	13,70,216
Tax Saving/(Shield) due to brought forward Losses Adjusted in Current Year	-	-	(4,58,787)	-	(1,19,565)	(4,23,397)
Tax Saving/(Shield) Differences in Book profit & Tax Profit for the year	(10,32,806)	(11,63,883)	(3,86,150)	(1,98,975)	(9,19,480)	2,68,616
Total Tax (Saving)/Shield thereon (G)	(10,32,806)	(11,63,883)	(8,44,937)	(1,98,975)	(10,39,045)	(1,54,781)
Total Taxation (H=B+G)	(3,19,324)	27,13,345	24,44,496	(5,30,978)	11,79,840	(0)
Details as per Return *						
Taxable Income	-	77,50,040	92,17,211	-	39,61,500	3,66,290
Tax as per MAT	-	NA	NA	7,16,612	NA	NA
Tax as per Income Tax Returns	-	22,42,523	22,83,745	7,16,612	12,24,104	1,13,184

Interest on late Payment of Taxes	-	2,44,776	2,27,499	74,827	1,02,775	10,694
Total Tax	-	24,87,299	25,11,244	7,91,439	13,26,879	1,23,878
Brought Forward Balances						
Business Loss of Previous years	-	-	14,84,747	-	3,86,943	17,57,159
Business Loss of Previous years Adjusted in Current Year	-		(14,84,747)	-	(3,86,943)	(13,70,216)
Unabsorbed Depreciation	-	-	-	14,84,747	-	-
Total Brought Forward Balances	-	-	-	14,84,747	-	3,86,943
Notes :- The figures for the period ended Nov 30, 2013 are based on provisional computation of Income tax prepared by the company since the tax return for the period is not to be filed						

ANNEXURE – XX

CAPITALISATION STATEMENT

(Amount in Indian Rupee)

PARTICULARS	Pre-Issue as at 30th November 2013	Post-Issue
<u>Borrowings</u>		
Short Term Debt	4,88,59,301	4,88,59,301
Long Term Debt	10,53,13,095	10,53,13,095
Total Debt	15,41,72,395	15,41,72,395
<u>Shareholder's Funds</u>		
Share Capital	6,51,93,330	11,47,13,330
Reserves & Surplus	1,41,87,545	3,89,47,545
Total Shareholder's Funds	7,93,80,875	15,36,60,875
<u>Total Capitalization</u>		
Long Term Debt/Equity Ratio	1.33	0.69
Total Debt/Equity Ratio	1.94	1.00

Notes:-

1. Short-Term debt represents debts which are due within twelve months from March 31, 2013 and include instalments of Long term debt repayable within twelve months.
2. Long-term debt represents debt other than short-term debt, as defined above.
- 3) The figures disclosed above are based on the restated financial statements of the company.

ANNEXURE – XXI

MANDATORY ACCOUNTING RATIOS

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Net Profit Attributable to Equity Shareholders						
Earnings Per Share (EPS) (Rs.) [a/b]						
- Basic [a/b]	0.13	2.27	1.87	(0.40)	1.39	0.08
- Diluted [a/d]	0.13	2.27	1.87	(0.40)	1.39	0.08
Cash Earnings Per Share (Rs.) [f/b]	1.33	4.55	3.75	0.59	2.55	0.48
Return on Net Worth (%) [a/g %]	0.90%	21.62%	22.68%	-5.67%	30.60%	2.65%
Net Asset Value Per Share (Rs.) [h/e]	12.18	10.50	8.23	6.35	4.54	3.15
Weighted Average No. of Equity Shares	55,18,333	38,50,000	38,50,000	35,00,959	35,00,000	35,00,000
No. of Equity Shares outstanding	65,19,333	38,50,000	38,50,000	38,50,000	35,00,000	35,00,000

Notes:

1.

(Rs in Lacs, Except Per Share Data)

Particulars	As at 30- Nov-2013	As at 31- March-2013	As at 31- March-2012	As at 31- March-2011	As at 31- March-2010	As at 31- March-2009
Net Profit after tax adjustments [a]	7,12,803	87,43,364	71,90,028	(13,86,816)	48,63,289	2,92,521
Weighted Average No. of Equity Shares [b]	55,18,333	38,50,000	38,50,000	35,00,959	35,00,000	35,00,000
Weighted Average No. of Potential Equity Shares [c]	-	-	-	-	-	-
Total No. of Equity Share for Calculating Diluted EPS [d]	55,18,333	38,50,000	38,50,000	35,00,959	35,00,000	35,00,000
No. of Equity Shares at the end of the year/period [e]	65,19,333	38,50,000	38,50,000	38,50,000	35,00,000	35,00,000
Cash Earning [f]	73,57,908	1,75,15,311	1,44,56,313	20,61,685	89,34,578	16,67,963
Net Worth [g]	7,93,80,875	4,04,38,846	3,16,95,483	2,44,57,040	1,58,91,443	1,10,27,739
Net Asset [h]	7,93,80,875	4,04,38,846	3,16,95,483	2,44,57,040	1,58,91,443	1,10,27,739

2. Formula:

Formula:	
Earnings Per Share (Rs.)	$\frac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$
Net Asset Value Per Share (Rs.)	$\frac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$
Return On Net Worth (%)	$\frac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$
Cash Earning	Net Profit after tax adjustments add Depreciation, Preliminary Expenses written off and Deferred Tax Liability, diminution in value of investments, Earlier year depreciation.
Net Asset	Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off
Note: Weighted Average no of Equity Shares is calculated after adjusting for bonus equity shares issued, with retrospective effect for all the periods reported.	

ANNEXURE – XXII

Names of related parties and description of relationship:

	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
Key Management Personnel	Mr. Pradeep Badkur	Mr. Pradeep Badkur	Mr. Pradeep Badkur	Mr. Pradeep Badkur	Mr. Pradeep Badkur	Mr. Pradeep Badkur
	Mr. C.D Ignatious	Mr. C.D Ignatious	Mr. C.D Ignatious	Mr. C.D Ignatious	Mr. C.D Ignatious	Mr. C.D Ignatious
	Mr. Harsh Badkur	Mr. Harsh Badkur	Mr. Harsh Badkur	Mr. Harsh Badkur	Mr. Harsh Badkur	Mr. Harsh Badkur
	Mrs. Namrata Badkur	Mrs. Namrata Badkur	Mrs. Namrata Badkur	Mrs. Namrata Badkur	Mrs. Namrata Badkur	Mrs. Namrata Badkur
	Mr. Jimmy Ignatious	Mr. Jimmy Ignatious	Mr. Jimmy Ignatious	-	-	-
Relatives of Key Management Personnel	Mr. Orville Ignatious	Mr. Orville Ignatious	Mr. Orville Ignatious	Mr. Orville Ignatious	Mr. Orville Ignatious	Mr. Orville Ignatious
	Mr. Puneet Badkur	Mr. Puneet Badkur	Mr. Puneet Badkur	Mr. Puneet Badkur	Mr. Puneet Badkur	Mr. Puneet Badkur
	Ms. Jenni Ignatious	Ms. Jenni Ignatious	Ms. Jenni Ignatious	Ms. Jenni Ignatious	Ms. Jenni Ignatious	Ms. Jenni Ignatious
Enterprise under significant Influence of Key Management Personnel	Chemtech Instrumentation Services Private Limited	Chemtech Instrumentation Services Private Limited	Chemtech Instrumentation Services Private Limited	Chemtech Instrumentation Services Private Limited	Chemtech Instrumentation Services Private Limited	Chemtech Instrumentation Services Private Limited
	Venus Engineers	Venus Engineers	Venus Engineers	Venus Engineers	Venus Engineers	Venus Engineers

	Navdarshi Properties Pvt. Ltd.	Neel Deep Properties Pvt. Ltd.	Neel Deep Properties Pvt. Ltd.	Neel Deep Properties Pvt. Ltd.	Blow Container (Prop. Rajesh Jain-HUF)	Blow Container (Prop. Rajesh Jain-HUF)
	Panama Properties Pvt. Ltd.	Navdarshi Properties Pvt. Ltd.	Navdarshi Properties Pvt. Ltd.	Navdarshi Properties Pvt. Ltd.	Neel Deep Properties Pvt. Ltd.	Neel Deep Properties Pvt. Ltd.
	Parshwajit Properties Pvt. Ltd.	Panama Properties Pvt. Ltd.	Panama Properties Pvt. Ltd.	Panama Properties Pvt. Ltd.	Navdarshi Properties Pvt. Ltd.	Navdarshi Properties Pvt. Ltd.
	Chemtech Infosolution Pvt. Ltd.	Parshwajit Properties Pvt. Ltd.	Parshwajit Properties Pvt. Ltd.	Parshwajit Properties Pvt. Ltd.	Panama Properties Pvt. Ltd.	Panama Properties Pvt. Ltd.
	-	Badkur Blow Plast Container Pvt. Ltd.	Badkur Blow Plast Container Pvt. Ltd.	Badkur Blow Plast Container Pvt. Ltd.	Parshwajit Properties Pvt. Ltd.	Parshwajit Properties Pvt. Ltd.
	-	Badkur Polycon Industries	Badkur Polycon Industries	Badkur Polycon Industries	Badkur Blow Plast Container Pvt. Ltd.	Badkur Blow Plast Container Pvt. Ltd.
	-	Chemtech Infosolution Pvt. Ltd.	Chemtech Infosolution Pvt. Ltd.	Chemtech Infosolution Pvt. Ltd.	Badkur Polycon Industries	Shubharambh Prop. Pvt. Ltd
	-	Maxxon Industries	Maxxon Industries	Maxxon Industries	Shubharambh Prop. Pvt. Ltd	Badkur Polycon Industries
	-	-	-	-	Chemtech Infosolution Pvt. Ltd.	Chemtech Infosolution Pvt. Ltd.
	-	-	-	-	Maxxon Industries	Maxxon Industries

Details of Related Party Transactions are as follows –

(Amount in Indian Rupees)

Nature of Relationship	Name of Party	As at 30-Nov-2013	As at 31-March-2013	As at 31-March-2012	As at 31-March-2011	As at 31-March-2010	As at 31-March-2009
Remuneration	Director						
	Mr. Pradeep Badkur	4,67,547	4,95,716	6,40,902	5,67,847	4,25,455	2,49,941
	Mr. C.D Ignatious	7,67,431	4,95,079	7,41,696	4,82,281	3,24,719	3,81,682
	Mr. Harsh Badkur	4,37,913	4,80,000	33,343	1,00,000	-	-
	Mrs. Namrata Badkur	-	-	2,95,000	3,08,868	1,20,000	-
	Relative of Director						
	Mr. Jimmy Ignatious	3,26,689	3,03,448	46,171	-	-	-

	Mr. Orville Ignatious	2,00,682	3,00,000	-	-	-	-
	Mr. Puneet Badkur	2,25,230	3,60,000	-	-	-	-
	Ms. Jenni Ignatious	60,000	1,00,000	2,67,688	2,83,329	2,38,150	-
Insurance and other reimbursement	<i>Director</i>						
	Mr. C.D Ignatious	2,32,650	3,37,931	3,68,211	2,66,935	2,98,705	1,83,462
	Mr. Harsh Badkur	2,75,930	2,73,258	12,381	-	-	-
	Mr. Jimmy Ignatious	35,669	1,56,570	64,607	-	-	-
Loans & Advances taken	<i>Director</i>						
	Mr. Pradeep Badkur	40,00,000	-	-	31,75,000	1,20,91,720	17,50,000
	Mr. C.D Ignatious	-	-	-	5,69,368	45,00,000	-
	Mr. Harsh Badkur	4,00,000	-	-	-	-	-
	Mrs. Namrata Badkur	40,00,000	-	-	8,50,000	-	-
	<i>Enterprise under significant Influence of Key Management Personnel</i>						
	Venus Engineers	-	-	-	9,50,000	-	11,18,767
	Blow Container (Prop. Rajesh Jain-HUF)	-	-	-	-	-	6,75,000
	Neel Deep Properties Pvt. Ltd.	-	-	-	50,00,000	-	-
	Navdarshi Properties Pvt. Ltd.	-	10,00,000	1,43,00,000	66,15,640	-	-
	Panama Properties Pvt. Ltd.	-	-	-	50,00,000	-	-
	Parshwajit Properties Pvt. Ltd.	-	-	2,50,000	45,00,000	-	-
	Badkur Blow Plast Container Pvt. Ltd.	-	-	-	16,35,000	-	8,27,320

	Badkur Polycon Industries	-	75,000	-	-	-	-
	Shubharambh Prop. Pvt. Ltd.	-	-	-	-	-	5,00,000
	Chemtech Infosolution Pvt. Ltd.	99,00,000	10,00,000	-	-	-	-
Loans & Advances repaid	<i>Director</i>						
	Mr. Pradeep Badkur	40,00,000	-	-	36,75,000	1,15,91,720	17,50,000
	Mr. C.D Ignatious	-	-	-	48,55,276	2,14,092	-
	Mr. Harsh Badkur	4,00,000	-	-	--	-	-
	Mrs. Namrata Badkur	40,00,000	-	-	8,50,000	-	50,000
	<i>Enterprise under significant Influence of Key Management Personnel</i>						
	Venus Engineers	-	-	-	15,58,377	5,97,370	5,21,397
	Blow Container (Prop. Rajesh Jain-HUF)	-	-	-	-	-	6,75,000
	Neel Deep Properties Pvt. Ltd.	-	-	50,00,000	-	-	-
	Navdarshi Properties Pvt. Ltd.	1,25,00,000	21,15,640	73,00,000	-	-	-
	Panama Properties Pvt. Ltd.	50,00,000	-	-	-	-	-
	Parshwajit Properties Pvt. Ltd.	25,00,000	-	-	22,50,000	-	-
	Badkur Blow Plast Container Pvt. Ltd.	-	-	-	16,35,000	-	8,27,320
	Badkur Polycon Industries	-	75,000	-	-	-	-
	Shubharambh Prop. Pvt. Ltd.	-	-	-	-	5,00,000	-

	Chemtech Infosolution Pvt. Ltd.	99,00,000	10,00,000	-	-	-	-
Loans & Advances given	Director						
	Mr. Pradeep Badkur	-	-	-	-	-	2,75,000
	Mr. Harsh Badkur	-	1,24,86,897	-	-	6,916	-
	Mrs. Namrata Badkur	-	-	-	-	-	5,87,799
	Mr. Jimmy Ignatious	-	6,36,632	-	-	-	-
	Enterprise under significant Influence of Key Management Personnel						
	Chemtech Instrumentation Services Private Limited	-	12,93,321	13,23,780	6,00,000	-	20,000
	Venus Engineers	-	3,35,527	9,25,072	-	-	-
	Blow Container (Prop. Rajesh Jain-HUF)	-	-	-	-	70,000	-
	Badkur Blow Plast Container Pvt. Ltd.	-	2,37,782	-	-	1,69,400	-
	Chemtech Infosolution Pvt. Ltd.	23,000	1,04,00,000	-	-	-	-
	Loans & Advances repaid	Director					
Mr. Pradeep Badkur		-	-	-	-	1,90,413	1,50,000
Mr. Harsh Badkur		-	1,24,86,897	-	-	6,916	-
Mrs. Namrata Badkur		-	-	-	-	19,856	5,10,000
Mr. Jimmy Ignatious		-	6,36,632	-	-	-	-
Enterprise under significant Influence of							

	Key Management Personnel						
	Chemtech Instrumentation Services Private Limited	-	2,48,045	8,64,587	6,00,000	-	97,416
	Venus Engineers	-	5,83,539	7,00,000	-	-	-
	Blow Container (Prop. Rajesh Jain-HUF)	-	-	-	-	70,000	-
	Badkur Blow Plast Container Pvt. Ltd.	-	2,37,782	-	-	1,69,400	-
	Chemtech Infosolution Pvt. Ltd.	-	1,04,00,000	-	-	-	-
Outstanding Loans and other current Liabilities	Director						
	Mr. Pradeep Badkur	-	-	-	-	5,00,000	-
	Mr. C.D Ignatious	-	-	-	-	42,85,908	-
	Mr. Harsh Badkur	-	-	-	-	-	-
	Enterprise under significant Influence of Key Management Personnel						
	Chemtech Instrumentation Services Private Limited	-	-	-	1,85,303	-	-
	Venus Engineers	-	-	-	-	5,85,437	5,97,370
	Neel Deep Properties Pvt. Ltd.	-	-	-	50,00,000	-	-
	Navdarshi Properties Pvt. Ltd.	-	1,25,00,000	1,36,15,640	66,15,640	-	-
	Panama Properties Pvt. Ltd.	-	50,00,000	50,00,000	50,00,000	-	-

	Parshwajit Properties Pvt. Ltd.	-	25,00,000	25,00,000	22,50,000	-	-
	Shubharambh Prop. Pvt. Ltd.	-	-	-	-	-	5,00,000
Outstanding Loans and Advances & other Current Assets	<i>Director</i>						
	Mr. Pradeep Badkur	-	-	-	-	-	1,90,413
	Mrs. Namrata Badkur	-	-	-	-	57,943	77,799
	<i>Enterprise under significant Influence of Key Management Personnel</i>						
	Chemtech Instrumentation Services Private Limited	13,19,166	13,19,166	2,73,890	-	-	-
	Venus Engineers	-	-	2,48,012	22,940	-	-
	Chemtech Infosolution Pvt. Ltd.	23,000	-	-	-	-	-
Fixed Asset Purchase	<i>Enterprise under significant Influence of Key Management Personnel</i>						
	Maxxon Industries	-	28,35,000	-	-	-	-
Labour Charges	<i>Enterprise under significant Influence of Key Management Personnel</i>						
	Chemtech Instrumentation Services Private Limited	-	-	9,55,000	18,19,950	-	-
Job Work	<i>Enterprise under significant</i>	20,00,000					

	<i>Influence of Key Management Personnel</i>						
	Chemtech Instrumentation Services Private Limited	-	-	-	-	4,53,216	-
	Venus Engineers	-	-	-	-	5,97,517	-
Equity share allotted	<i>Director</i>						
	Mr. Pradeep Badkur	1,00,40,000	-	-	-	-	-
	Mr. Harsh Badkur	1,00,00,000	-	-	-	-	-
	Mrs. Namrata Badkur	1,00,00,000	-	-	-	-	-
	<i>Relative of Director</i>		-	-	-	-	-
	Mr. Puneet Badkur	1,00,00,000	-	-	-	-	-
Share application Money received and repaid	<i>Director</i>						
	Mrs. Namrata Badkur	-	-	-	-	-	-

FINANCIAL INDEBTEDNESS

The details of the Company's indebtedness, as at November 30, 2013, are as follows:

SECURED LOANS							
Sr. No.	Name of Lender and Agreements	Nature of Borrowings	Amount Sanctioned (Rs. in Lakhs)	Amount outstanding as on November 30, 2013 (Rs. in Lakhs)	Interest (in % p.a.)	Repayment	Security
1	IndusInd Bank Ltd., Sanction letter	Cash Credit	500.00	361.43	2.25% above Bank Base Rate and – spread	Repayable on Demand	Refer Note 1
2	IndusInd Bank Ltd., Sanction letter	Term Loan	500.00	432.10	Bank Base rate + 2.75% p.a. at monthly rest	81 monthly instalments of Rs. 6,17,284/- each. Monthly interest to be paid separately	Refer Note 2
3	EDELWEISS Finance & Investments Ltd	Term Loan	294.00	268.67	12.60% floating as at the end of the year	160 monthly instalments (including monthly interest) of Rs. 3,79,058/- each	Refer Note 3
4	Capital First Ltd.	Term Loan for Working Capital facility	49.00	48.26	13% per annum floating	180 monthly instalments (including interest) of Rs.61,997/- per month	Refer Note 4
5	Capital First Limited	Term Loan	91.00	89.21	11.50% p.a on floating basis	180 monthly instalments (including interest) of Rs.1,06,306/- per month.	Refer Note 5
6	Money Matters Financial Services Ltd.	Term Loan	220.00	215.69	13.25% p.a on floating basis	120 monthly instalments(including interest) of Rs 3,31,736 starting from 15/07/2013	Refer Note 7
7	Indiabulls housing finance Ltd.	Loan against Property	98.00	97.28	13%p.a	180 monthly instalments (including interest) of Rs 123994/- per month	Refer Note 8
Vehicle Loans							
1	Kotak Mahindra Prime Ltd	Car Loan	5.87	1.44	10.00% per annum fixed	59 monthly instalments (including interest) of Rs. 12,642/- per month	Refer Note 6
2	Kotak Mahindra Prime Ltd	Car Loan	11.26	2.75	9.97% per annum fixed	59 monthly instalments (including interest) of Rs. 24,219/- per month	Refer Note 6

3	Kotak Mahindra Prime Ltd.	Car Loan	8.51	2.08	9.92% per annum fixed	59 monthly instalments (including interest) of Rs. 18,299/- per month	Refer Note 6
4	Tata Motors Finance Ltd	Car Loan	4.70	1.08	13.30% per annum fixed.	First instalment of Rs 17360/- + 34 monthly instalments (including interest) of Rs. 16,050/- per month	Refer Note 6
UNSECURED LOANS							
1	Magma Fincorp Limited	Term Loan	20.00	12.69	17.03% per annum fixed	36 monthly instalments (including interest) of Rs. 71,335/- per month	NA
2	Tata Capital financial Services Limited	Term Loan	22.00	9.06	16.50% per annum fixed	24 monthly instalments (including interest) of Rs. 108,245/- per month	NA

Note 1

Cash Credit from IndusInd Bank is secured by way of

(a) Primary Security

Hypothecation of the entire current assets of the company comprising, inter alia, of stocks of raw material, work in progress, finished goods, receivables, book debts and other current assets.

(b) Collateral Security

As per common security as mentioned below in Note 2.

Rate of Interest: 2.25% above Bank's Base Rate, rising or falling therewith. The Bank has the right to change the basis and Spread over Base Rate, at its discretion, or as may be required by RBI/ statutory directive.

Period of Sanction: Repayable on demand, subject to review at annual intervals or as may be decided by the Bank.

Note 2

Term Loan from IndusInd Bank is secured by way of:

Primary Security

First and exclusive charge on land & Buildings, plant & machineries, all movable & immovable assets (both present & future), factory at Kondala road, Survey Gut No 37, Village Vadavali, Tal Wada, Dist Thane 421312 owned by the company.

Common Collateral Securities

Fixed Assets

First and exclusive charge on movable fixed assets of the company both present and future except other assets that are exclusively financed by other banks

Collateral

Details of properties

1. Commercial: 105, Hiranandani Industrial Estate, Opp. Kanjurmarg W, Mumbai 078 (Administrative office)

2. Industrial: (Non Agriculture). Kondala Road, survey Gut no 37, village Vadavali, Tal Wada, Dist Thane 421312 (New Factory).

3. Industrial: (Total 7 Galas inter connected) Gala No 12, 13, 14, 16, 42, 43 & 44 Nirmal Ashish industrial estate, plot of land, bearing Nos 135(pt) & 166A/1(pl.), Asangaon. (Existing Factories Location)

Personal Guarantee of Mr. Ignatious C. David, Mr. Jimmi Ignatious, Mr. Pradeep S. Badkur, Mr. Harsh Badkur and Mrs. Namrata Badkur Director/Promoters/ Shareholders of the company.

Tenor (including Moratorium): Total 84 months (3 months moratorium subject to repayment starting w.e.f. Jan 01, 2013)

Moratorium: 3 months moratorium subject to repayment starting w.e.f. Jan 01, 2013. However, interest during moratorium period to be served as and when debited/due.

Repayment Schedule:

- Repayable in 81 monthly instalments of Rs. 6.17 Lakhs each.
- Monthly Interest to be paid separately.

Rate of Interest: Base Rate plus 2.75% p.a. at monthly rests subject to approval of Business Head. (CAD to ensure that BH approval is held on record for pricing, prior to issue of sanction letter)

Interest Reset: Quarterly reset of basis and spread.

Other Terms and Conditions:	
	Head:
Penal interest rate	(a) Penal Interest for non-compliance - 18.75% p.a. or 2% above present applicable rate whichever is higher. (b) Penal interest for irregularity/overdue - 18.75% p.a. or 2% above present applicable rate whichever is higher.
Insurance	All assets charged / financed by the Bank to be fully Insured for 110% of the value in the name of the borrower with the Bank Clause. In the event of non-compliance of the same, the Bank reserves the right to debit the cc a/c for the insurance premium and get the policies assigned in favour of the bank.
Prepayment Charges	The facility shall attract prepayment charge at 2% for cash credit and 3% for Term Loan (as may be revised by the Bank from time to time) on the Facility limits granted to the Borrower in the event of: 1. Repayment by the Borrower to the Bank of any amount ahead of previously agreed repayment schedule or tenor or terms of dates of repayment or renewal as contained in the facility letter: or 2. The Borrower's not availing of the facility or any part thereof within 60 (sixty) days from the date of its grant."

Restrictive and Negative Covenants pertaining to facility by IndusInd Bank

The borrowing arrangements would be subject to the following terms and conditions:

1. The Firm shall avail working capital facilities with us under sole banking arrangement. Without written permission of the bank the firm shall not avail any working capital facility with any other bank. All other current accounts with other banks to be closed and certificate to that extent be kept in record by the branch.
2. During the currency of the Bank's credit facilities, the borrower shall not without the prior approval of the Bank in writing: -
 - i. Effect any change in their capital structure.
 - ii. Shall not pledge the shares held by the promoters, group beyond 10% of holdings, for raising any loan or for securitizing any loans or advances availed/to be availed by them from any bank/FI/ lender.
 - iii. Formulate any scheme of amalgamation/reconstruction.
 - iv. Undertake any new project/scheme without obtaining the Bank's prior consent unless the expenditure on such expansion etc. is covered by the borrower's net cash accruals after providing for dividends, investments, etc., or from long term funds received for financing such new projects or expansion.
 - v. Invest by way of share capital in or lend or advance funds to or place deposits with any other concern. Normal trade credit or security deposits in the usual course of business or advances to employees, etc., are, however, not covered by this covenant.
 - vi. Enter into borrowing arrangements either secured or unsecured with any other Bank, financial institution, borrower or otherwise save and except the working capital facilities, granted/to be granted by other consortium /member banks, under consortium/multiple banking arrangement and the term loans proposed to be obtained from financial institutions/Banks for completion of the replacement-cum-modernization programme.
 - vii. Undertake guarantee obligations on behalf of other companies / associates / affiliates.
 - viii. Declare dividends for any except out of the profits relating to that year.
3. Moneys brought in by principal shareholders/directors/depositors/depositors will not be allowed to be withdrawn without Bank's permission.
4. The borrower shall not make any material change in their management set up without the Bank's permission. No material change in the shareholding pattern of the company which has an effect of a possible change in the management control of the company shall be made without prior approval of the Bank.
5. The borrower will keep the Bank informed of the happening of any event, likely to have a substantial effect on their production, sales, profits, etc., such as labour problem, power cut, etc., and the remedial steps proposed to be taken by the borrower.
6. The Borrower will inform the Bank if any winding up petition is filed against the Borrower.
7. The Bank would charge the standard service charges in respect of different items of service as in force from time to time.
8. Negative Lien: The borrower /Promoters should not create, without prior consent of the Bank, charges on their any or all properties or assets during the currency of the credit facilities granted by the Bank.
9. Others:
 - Non-fulfillment of above financial and non-financial covenants will trigger an event of default, unless specifically waived in writing. Consequence of an event of default could be levy of penal interest and/or withdrawal of the facility.

- In the event of withdrawal/cancellation of the facility, the borrower accepts to fully cash collateralize any exposure that the Bank has assumed on the client or on behalf of the client, which could not be immediately repaid or unwound.
- The company shall deposit sales proceeds and shall route all foreign exchange business and other ancillary business through their account maintained with us in proportion to our share in the capital financing.
- Moneys brought in by partners/ proprietors/ principal share holders/ directors and their friends and relatives will not be allowed to be maintained at lower than the projected levels without Bank's written permission.

In case in the opinion of the Bank's there has been a material adverse change in the Borrower's business and financial condition, such as:

1. Sale or curtailment or closure of any of the Borrowers main businesses
2. Cash losses in any one quarter or continuing accounting losses in three quarters,
3. Adverse action by any Regulatory Authority
4. Default to the Bank under any other facility or to any other lender
5. Action by any class of stakeholders which is likely to significantly impair Borrower's business.
6. Filing of winding up petition by any creditor/shareholder against the Borrower.

The Bank is entitled to withhold further disbursements and/or recall the loan in part or full.

Note 3

Term Loan from EDELWEISS Finance & Investments Ltd is Secured by way of hypothecation of flat C-201/A and 201B 2nd Floor C-Wing Lake Castle Cliff Avenue Road Hiranandani Garden Lake Vihar Road Mumbai - 400076 owned by the Pradeep Badkur and Namrata Badkur.

Tenure	160 months
Value/amount of each instalment	Rs. 3,79,058/-
PEMII	11.60%
Penal Interest Rate	24% p.a.
Prepayment Charges	5%
Maximum part prepayment allowed in a year	25%
Processing/ Administration fees	Rs. 1,62,141/-
VARIABLE INTEREST RATE LOAN (VIRL):	
Mortgage Loan Reference Rate (MRR)	16%
Variable rate of interest (This would be subject to variation in case of rates on interest changing during the repayment term of the loan)	MRR +/- 4.4 = 20.40/11.60% p.a.
VIRL fixed Reset dates (for every year on the basis of the then prevailing VIRL)	Jan 01, Apr 01, Jul 01, Oct 01
Review Frequency	Quarterly/ Six monthly
VIRL fixed Reset dates (on the basis of the then prevailing MMR)	Quarterly/ Six monthly basis, from the date of first disbursement

Note 4

Term Loan from Capital First Limited is secured by way of hypothecation of Flat No. 1701, 17th floor, Iris Bldg, Sec R/12, Nahar Amrit Shakti Complex, Chandivali, Andheri (east) Mumbai 400072 owned by Mr. Harsh Badkur Director of the Company

Co – Applicant/ Borrower Name: Mr. Harsh Pradeep Badkur, Mr. Pradeep Shikharchand Badkur, Mrs. Namrata Pradeep Badkur and Mr. Ignatious Inasu

Term of loan	180 months
Type of Interest	Floating
Capital First Prime Lending Rate (CFPLR)	ROI as charged to the customer 17.50%
Margin (+/-)	4.50%
Floating Rate of Interest (FROI)	13.00% same as CFPLR
Processing Fees	1.00% of loan amount. 50% of the processing fees shall be paid by the customer at the time of receipt of the 'in-principal' approval letter. The balance processing fees shall be debited from the loan disbursement, provided the loan is sanctioned and disbursed by Capital First. In the event, the loan is not sanctioned or disbursed by Capital First; the Processing Fees as collected by Capital First shall be refunded to the customer.
Initial Money Fees (IMF)	Rs. 0/- shall be deposited by the customer with Capital First at the time of submitting Application Form. The amount of initial money fees shall be non-refundable.
Mode of create of Security	As may be specified by Capital First from time to time at its sole discretion
Fees on part Prepayment	Nil (Prepayment, full or part, not allowed for first 12 months from disbursal date)
Fees on full and final Prepayment (i.e. Foreclosure)	Any Foreclosure allowed after payment of minimum 12 EMI will be subject to 3% of the Principal Outstanding.

Some of the Negative Covenants by M/s Capital First Limited

Clause 5.2.1 of the Loan Agreement dated 28.02.2013 states as follows

The Borrower further covenants that unless, otherwise previously approved in writing, the Borrower shall not:

- h. Stand surety for anybody or guarantee the repayment of any loan of the purchase price of any asset.
- k. Borrow from any source or charge any property until the Borrower's dues are paid in full.
- l. If the Borrower is a company, make any change in the constitution, management or existing ownership or control or share capital of the Borrower.
- n. If the Borrower is a company or a partnership firm, enter into reconstruction / arrangement / takeover / merge / amalgamate with other company or body corporate or enter into any partnership.

Note 5

Term Loan from Capital First Limited is secured by way of hypothecation of Flat No. 1701, 17th floor, Iris Bldg, Sec R/12, Nahar Amrit Shakti Complex, Chandivali, Andheri (east) Mumbai 400072 owned by Harsh Badkur director of the Company.

Co – Applicant/ Borrower Name: Mr. Harsh Pradeep Badkur, Mr. Pradeep Shikharchand Badkur, Mrs. Namrata Pradeep Badkur and Mr. Ignatious Inasu

Term of loan	180 months
Type of Interest	Floating
Capital First Prime Lending Rate (CFPLR)	ROI as charged to the customer 17.50%
Margin (+/-)	6.00%
Floating Rate of Interest (FROI)	11.50% same as CFPLR
Processing Fees	1.00% of loan amount. 50% of the processing fees shall be paid by the customer at the time of receipt of the 'in-principal' approval letter. The balance processing fees shall be debited from the loan disbursement, provided the loan is sanctioned and disbursed by Capital First. In the event, the loan is not sanctioned or disbursed by Capital First; the Processing Fees as collected by Capital First shall be refunded to the customer.
Initial Money Fees (IMF)	Rs. 5,515/- shall be deposited by the customer with Capital First at the time of submitting Application Form. The amount of initial money fees shall be non-refundable.
Mode of create of Security	As may be specified by Capital First from time to time at its sole discretion
Fees on part Prepayment	Nil (Prepayment, full or part, not allowed for first 12 months from disbursal date)
Fees on full and final Prepayment (i.e. Foreclosure)	Any Foreclosure allowed after payment of minimum 12 EMI will be subject to 3% of the Principal Outstanding.

Note 6

Loans from Kotak Mahindra and Tata Motors Finance Limited are secured by way of hypothecation of respective vehicle against which it has been financed.

Note 7

Security: First and exclusive charge by way of registered mortgage of property situated at Office No.503, 5th Floor, Sunrise Business Park, Quantum IT Park, Plot No-B-68,Road No.16,Wagle Industrial Estate, Thane (West) – 400 604.

Co- Borrowers: Mr. Harsh Pradeep Badkur, Mr. Pradeep Shikharchand Badkur, Mrs. Namrata Pradeep Badkur and Mr. Ignatious Inasu.

Type of loan	MSME Term Loan against Property
Tenor of the loan	120 months
Interest Rate Type	Floating
LTRR as on date	18.00% Per Annum
Processing fees	Rs. 2,20,000/- plus Service Tax Note: Processing fee is non-refundable
Part Prepayment Charges	<ul style="list-style-type: none">• Part Prepayment can be made only after 6 months from the date of full disbursement.• This payment can be done only once in a financial year subject to minimum amount being Rs. 50,000/- and maximum amount being 25% of the loan outstanding at the beginning of the Financial year.• All part prepayments made 12 months prior to the full Payment of the loan will be charged at the applicable full prepayment rate at the time of prepayment.
Prepayment Charges	<ul style="list-style-type: none">• Prepayment charges will be 5% plus service tax on the outstanding loan amount at the time of prepayment if the loan is closed within 12 months from the date of final disbursement.• Prepayment charge will be 2% plus service tax if loan is closed after 12 months from the date of final disbursement only if paid from own sources of funds else prepayment charge will be 3% plus service tax if loan is closed between 12-24 months from the final disbursement.• The Prepayment charge will be 2% plus service tax if loan closed after 24 months from the date of final disbursement.

Note 8

Security: Flat no 606-C, 6th Floor, A Wing, Dhaivat Bal Rajeshwar Kalpanagi, Mulund (West), Mumbai – 400080 owned by Mr. Ignatious Inasu, Director of the Company.

Co- Applicant/ Borrower: Mr. Ignatious Inasu, Mr. Pradeep Shikharchand Badkur, Mrs. Namrata Pradeep Badkur, Mr. Harsh Pradeep Badkur, Mrs. Jenny Ignatious Chittatukarakaran

Type of facility	LAPL
Loan Tenure	180 months
Interest Type	Adjustable Interest Rate(AIR)
Rate of Interest	13%
Adjustable Interest Rate(AIR)	LFRR(LAP Floating Reference Rate, notified time to time) – 4.5% Margin Current LFRR: 17.5%
Processing Fee (Non-Refundable)	Rs. 1,11,620/-
Balance Processing Fee payable (to be deducted from disbursement)	Rs. 860/-
Database Admin Fee	Rs. 650/- (inclusive of Service Tax) Applicable only in the first instance of finance on the same property.

MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our restated financial statements, including the notes thereto, and other financial data beginning on page 143 of this Prospectus. You should also read the sections titled “Risk Factors” and “Forward-Looking Statements” beginning on pages 12 and 11, respectively, of this Prospectus which discuss a number of factors and contingencies that could impact our financial condition and results of operations.

The following discussion is based on our restated financial statements as of the fiscal years March 31, 2013, 2012 and 2011 and for the 8 months period ended November 30, 2013. Our audited financial statements are prepared in accordance with Indian GAAP, the accounting standards prescribed by the ICAI and the relevant provisions of the Companies Act and restated in accordance with the relevant provisions of the SEBI Regulations and the Companies Act. Our fiscal year ends on March 31 of each year. Unless otherwise stated, “fiscal year” or “fiscal” refers to the twelve month period ending March 31 of that year.

Business Overview

Our Company, an ISO 9001-2008 certified company, is engaged in the business of manufacturing carbon steel and stainless steel industrial valves of various types & sizes ranging from 15mm upto 4000 mm. We manufacture and supply various types of ball, butterfly, globe, gate and check valves and have a significant customer base in the steel industry. Our company was incorporated on January 15, 1997 and the product portfolio of our Company has grown over the last two decades. We supply our products to customers in the oil and gas (including petro-chemical) industry, infrastructure (including pipelines), process industries (including pharmaceuticals, chemicals, intermediaries and fertilizers), nuclear space and defence industry.

For further details, kindly refer Chapter titled Business Overview on page 88

Significant Developments Subsequent To the Last Financial Year

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in the Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Significant Factors Affecting Our Results of Operations

Our business is subject to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 12 of this Prospectus.

Among various factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Volatility in prices of Raw Materials;
- Exchange rates;
- Increasing competition in the industry;
- Company’s inability to successfully implement its growth and expansion plans.

Overview of our Results of Operation

As a result of the various factors discussed above that affect our income and expenditure, our results of operations may vary from period to period. The following table sets forth certain information with respect to our results of

operations for the Fiscals 2013, 2012 and 2011 and for the 8 months period ended November 30, 2013 as derived from our restated financial statements:

(Amount in Indian Rupees)

Sr. No.	Particulars	Period ended 30-Nov-2013	% of Total Revenue	Year ended 31-March-2013	% of Total Revenue	Year ended 31-March-2012	% of Total Revenue	Year ended 31-March-2011	% of Total Revenue
I	Income								
	Revenue from operations :								
	Sale of Manufactured Goods	8,15,91,053	31.69	11,16,81,652	49.12	14,62,66,351	87.22	8,97,14,458	87.98
	Sale of Traded Goods	15,92,33,556	61.85	10,06,20,730	44.25	-	-	-	-
	Sale of Services	-	-	-	-	3,58,340	0.21	-	-
	Total Sales Excluding Taxes	24,08,24,609	93.54	21,23,02,381	93.37	14,66,24,691	87.43	8,97,14,458	87.98
	Add: Duties & Taxes	1,11,63,308	4.34	1,45,54,420	6.40	1,99,16,464	11.88	1,16,19,530	11.40
	Total Sales	25,19,87,917	97.87	22,68,56,801	99.77	16,65,41,155	99.31	10,13,33,988	99.38
	Other income	54,76,184	2.13	5,19,976	0.23	11,61,063	0.69	6,31,987	0.62
	Total Revenue	25,74,64,101	100.00	22,73,76,777	100.00	16,77,02,218	100.00	10,19,65,975	100.00
II	Expenses								
	Cost of materials consumed	2,01,04,643	7.81	8,42,91,536	37.07	10,96,38,053	65.38	5,50,18,017	53.96
	Change in inventories of FG & WIP	2,55,77,353	9.93	(3,18,98,412)	(14.03)	(85,52,055)	(5.10)	63,08,734	6.19
	Purchases of traded goods	15,59,26,799	60.56	9,82,21,684	43.20	-	-	-	-
	Employee benefits expense	1,23,20,373	4.79	1,58,55,247	6.97	1,12,58,657	6.71	72,33,517	7.09
	Finance costs	1,57,55,607	6.12	1,73,98,609	7.65	89,67,417	5.35	77,24,746	7.58
	Depreciation and amortization expense	50,62,712	1.97	51,85,677	2.28	24,62,324	1.47	31,68,714	3.11
	Other expenses	2,04,07,608	7.93	2,57,74,771	11.34	3,32,82,408	19.85	2,35,86,691	23.13
	Total expenses	25,51,55,096	99.10	21,48,29,113	94.48	15,70,56,804	93.65	10,30,40,418	101.05
III	Profit before exceptional and extraordinary items and tax (I-II)	23,09,004	0.90	1,25,47,664	5.52	1,06,45,414	6.35	(10,74,443)	(1.05)

IV	Exceptional items		-	-	-	-	-	-	-
V	Profit before extraordinary items and tax (III - IV)	23,09,004	0.90	1,25,47,664	5.52	1,06,45,414	6.35	(10,74,443)	(1.05)
VI	Extraordinary Items		-	-	-	-	-	-	-
VII	Profit before tax (V - VI)	23,09,004	0.90	1,25,47,664	5.52	1,06,45,414	6.35	(10,74,443)	(1.05)
VIII	Tax expense:		-		-		-		-
	(1) Current tax	5,25,000	0.20	26,39,811	1.16	30,79,895	1.84	74,828	0.07
	(3) Deferred tax Liability / (Assets)	10,71,201	0.42	11,64,489	0.51	3,75,491	0.22	2,37,545	0.23
	Total Tax Expense	15,96,201	0.62	38,04,300	1.67	34,55,386	2.06	3,12,373	0.31
IX	Profit (Loss) for the period (VII - VIII)	7,12,803	0.28	87,43,364	3.85	71,90,028	4.29	(13,86,816)	(1.36)

Description of Income Items

Income from operations

Our income from operations consists of revenue from manufacturing and trading activities.

Other Income

Our Other income includes discounts, dividend income, bank interest & foreign exchange fluctuation, etc.

Description of Expenditure Items

Cost of materials consumed

Our cost of materials consumed expenses include purchase of raw material, packing material, and the Company follows the inclusive method of accounting sales and purchases by including the amount of Excise duty and VAT/CST in the sales as well as purchases, etc..

Employee Benefits Expenses

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

Financial Cost

Our financial cost includes bank interest and charges. Financial Cost primarily consists of interest expenses, primarily on loans and government dues, bank charges and other finance costs. The interest expenditure is primarily for bank borrowings and finance charges in the nature of cost of performance and processing fees of banks for providing credit lines.

Depreciation and Amortisation expense

Depreciation and Amortization Expenses primarily consist of depreciation/amortisation on the fixed assets of our Company which primarily includes building, machinery, motor car, computers, office equipment, furniture and fixtures, etc.

Other Expenses

Other expenses include administration and selling expenses, office expenses, Auditor's Remuneration, Job Works, miscellaneous expenses, etc.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the eight (8) months period ended November 30, 2013

Income

Our total income for the eight (8) months period ended November 30, 2013 was Rs. 2574.64 Lacs. Other income for said period was Rs. 54.76 Lacs.

Employee Benefit Expenses

Our Employee Benefit Expenses accounted to Rs. 123.20 Lacs for the eight (8) months period ended November 30, 2013. As a proportion of total income, it was 4.79%.

Other Expenses

Our Other Expenses accounted to Rs. 204.08 Lacs for the eight (8) months period ended November 30, 2013. As a proportion of total income, it was 7.93%.

Financial Cost

Our Financial Expenses accounted to Rs. 157.56 Lacs for the eight (8) months period ended November 30, 2013. As a proportion of total income, it was 6.12%.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses accounted to Rs. 50.63 Lacs for the eight (8) months period ended November 30, 2013. As a proportion of total income, it was 1.97%.

Profit before Tax

Our profit before tax was Rs. 23.09 Lacs for the eight (8) months period ended November 30, 2013.

Profit after Tax

Our profit after tax was Rs. 7.13 Lacs for the eight (8) months period ended November 30, 2013.

Comparison of Financial Year Ended 31st March, 2013 with Financial Year Ended 31st March, 2012

Incomes

Revenue from operations

Our turnover for the financial year ended 31st March, 2013 was at Rs. 2273.77 lacs as against the total of Rs.1677.02 lacs for the fiscal 2012 which is with an increase of 35.58% and the increase was achieved by undertaking trading activity.

Other Income

Our other income constituted 0.23% of our total income for Fiscal 2013, which was a decline of 55.21% to Rs 5.20 lacs in Fiscal 2013 from Rs 11.61 lacs in Fiscal 2012. The decrease was on account of foreign exchange fluctuations and variations in dividend income.

Expenditure

Cost of materials consumed

Our cost of materials consumed was 37.07% of our total income in Fiscal 2013. It was decreased by 23.12% to Rs.842.92 lacs in Fiscal 2013 from Rs.1096.38 lacs in Fiscal 2012 due to fall in prices of raw material and related expenses.

Employee Benefits Expenses

Our employee benefits expenses were 6.97% of our total income in Fiscal 2013. There was an increase of 40.82% to Rs.158.55 lacs in Fiscal 2013 from Rs. 112.59 lacs in Fiscal 2012.

Financial Cost

Our financial cost amounted to 7.65% of our total income in Fiscal 2013. This expense increased by 94.03% to an amount of Rs.173.99 lacs in Fiscal 2013 as compared to Rs.89.67 lacs in Fiscal 2012 due to rise in interest charged on additional banking facilities availed.

Depreciation

Our depreciation expenses increased by 110.60% from Rs.24.62 lacs in Fiscal 2012 to Rs. 51.86 lacs in Fiscal 2013.

Other Expenses

Our other expenses were decreased by 22.55% to Rs. 257.75 lacs in Fiscal 2013 from Rs.332.82 lacs in Fiscal 2012.

Profit before tax

Principally due to reasons described above, our profit before tax increased by 17.88% from Rs. 106.45 lacs in Fiscal year 2012 to Rs.125.48 lacs in Fiscal 2013.

Net Profit after tax as Restated

Principally due to reasons described above, our net profit after tax increased by 21.60% from Rs.71.90 lacs in Fiscal 2012 to Rs. 87.43 lacs in Fiscal 2013.

Comparison of Financial Year Ended 31st March, 2012 with Financial Year Ended 31st March, 2011

Incomes

Revenue from operations

Our turnover for the financial year ended 31st March, 2012 was at Rs 1677.02 lacs as against the total of Rs. 1019.66 lacs for the fiscal 2011 which was an increase of 64.47%, this is attributable to increase in sale of manufactured goods.

Other Income

Our other income constituted 0.69% of our total income for Fiscal 2012, which is an increase of 83.70% from income under the same head in the previous year Rs 11.61 lacs and Rs 6.32 lacs was earned by way of other income in the Fiscal 2012 and Fiscal 2011, respectively.

Expenditure

Cost of materials consumed

Our cost of materials consumed was 65.38% of our total income in Fiscal 2012. It was increased by 99.28 % to 1096.38 lacs in Fiscal 2012 from Rs.550.18 lacs in Fiscal 2011 due to increase in turnover and inventory holding.

Employee Benefits Expenses

Our employee benefits expenses were 6.71 % of our total income in Fiscal 2012

Financial Cost

Our financial cost was 5.35 % of our total income in Fiscal 2012. This expense increased by 16.09 % to Rs. 89.67 lacs in Fiscal 2012 from Rs. 77.25 lacs in Fiscal 2011 due to rise in financial assistance availed from financial institutions.

Depreciation

Our depreciation expenses were decreased by 22.31 % from Rs.31.69 lacs in Fiscal 2011 to Rs 24.62 lacs in Fiscal 2012.

Other Expenses

Our other expenses were increased by 41.10% to Rs. 332.82 lacs in Fiscal 2012 from Rs 235.87 lacs. in Fiscal 2011.

Profit before tax

All the factors stated above had the cumulative effect on and our profit before tax increased by 1091.15% from a loss of Rs. 10.74 lacs in Fiscal year 2011 to a profit of Rs.106.45 lacs in Fiscal 2012.

Net Profit after tax as Restated

Our net profit after tax increased by 618.39 % from a loss of Rs. 13.87 lacs in Fiscal 2011 to Rs. 71.90 lacs in Fiscal 2012.

Comparison of Financial Year Ended 31st March, 2011 with Financial Year Ended 31st March, 2010

Incomes

Revenue from operations

Our turnover for the financial year ended 31st March, 2011 was at Rs.1019.66 lacs as against the total of Rs. 987.48 lacs for the fiscal 2010, a increase of 3.26 % , which is attributed to increase in sale of manufactured goods.

Other Income

Our other income constituted 0.62% of our total income for Fiscal 2011. It increased by 22.89 % to Rs. 6.32 lacs in Fiscal 2011 from Rs.5.14 lacs in Fiscal 2010.

Expenditure

Cost of materials consumed

Our cost of materials consumed formed 53.96 % of our total income in Fiscal 2011. There was a decrease by 15.26 % to Rs.550.18 lacs in Fiscal 2011 from Rs.649.28 lacs in Fiscal 2010. The fall in expense under this head can be attributed to variation in stock holding.

Employee Benefits Expenses

Our employee benefits expenses were 7.09 % of our total income in Fiscal 2011. It decreased by 3.78 % to Rs.72.34 lacs in Fiscal 2011 from Rs. 75.17 lacs in Fiscal 2010.

Financial Cost

Our financial cost was 7.58 % of our total income in Fiscal 2011. This expense increased by 82.15 % to Rs. 77.25 lacs in Fiscal 2011 from Rs.42.41 lacs in Fiscal 2010 due to increase in unsecured loans.

Depreciation

Our depreciation expenses increased by 80.77 % from Rs.17.53 lacs in Fiscal 2010 to Rs. 31.69 lacs in Fiscal 2011.

Other Expenses

Our other expenses increased by 0.92 % to Rs. 235.87 lacs in Fiscal 2011 from Rs 233.71 lacs in Fiscal 2010.

Profit before tax

All the reasons stated above lead to a decline in, our profit before tax by 114.96% from Rs. 71.81 lacs in Fiscal year 2010 to a loss of Rs.10.74 lacs in Fiscal 2011.

Net Profit after tax as Restated

Principally due to reasons described above, our net profit after tax decreased by 128.52 % from Rs. 48.63 lacs in Fiscal 2010 to a loss of Rs.13.87 lacs in Fiscal 2011.

Other Information required as per SEBI Regulations

1. Unusual or infrequent events or transactions

Except as described in the Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Other than as described in the chapters titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on pages 12 and 193 respectively of the Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on pages 12 and 193 respectively of the Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future changes between costs and income

Other than as described in the chapter titled “*Risk Factors*” on page 12 of the Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

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

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

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

Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 84 of the Prospectus.

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

Please refer to the chapter titled “*Business Overview*” beginning on page 89 of the Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

There is no dependence on a single or few suppliers or customers.

10. Competitive Conditions

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in India in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established companies. This we believe may impact our financial condition and operations.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

Except as stated herein, there is no outstanding or pending litigation, suit, economic offence, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Schedule XIII of Companies Act,1956) or litigation for tax liabilities against our Company, our Directors or our Promoters or Promoter Groups companies and there are no defaults to banks/financial institutions, non payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoters, the Directors and Promoter Group Companies.

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

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

PART I – CONTINGENT LIABILITIES OF OUR COMPANY

(Rs. In Lacs)

Particulars	As at November 30, 2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
Counter Guarantee given by Banks	27.45	28.55	20.17	30.86	69.24	21.43

PART II – LITIGATIONS RELATING TO OUR COMPANY

A. Cases filed against our Company

- 1. Litigation involving Civil Laws**
Nil
- 2. Litigation involving Criminal Laws**
Nil
- 3. Litigation involving Securities and Economic Laws**
Nil
- 4. Litigation involving Statutory Laws**
Nil
- 5. Litigation involving Labour Laws**
Nil
- 6. Litigation involving Taxation**
Nil

B. Cases filed by our Company

1. **Litigation involving Civil Laws**
Nil
2. **Litigation involving Criminal Laws**
Nil
3. **Litigation involving Securities and Economic Laws**
Nil
4. **Litigation involving Statutory Laws**
Nil
5. **Litigation involving Labour Laws**
Nil
6. **Litigation involving Taxation**
Nil

C. Notices from Statutory Authorities

Assistant P.F. Commissioner (compliance), Circle II, R.O. Mumbai II- Thane, vide its letter bearing no. MH/205033/PF/RO/THANE/CIRCLE –II/1188 dated August 21, 2012, had directed the Company to provide certain documents within the specified date. Pursuant to the aforesaid letter, Enforcement Officer visited the factory premises, and called upon us to provide for documents for verifications. However, when the company failed to provide the document requested for verification of the officer, we received a show cause notice bearing no MH/205033/PF/RO-MUM-II/THN/ENF-CIR-II/2011 dated November 27, 2012 from the Employees' Provident Fund Organisation directing us to submit the documents requested at an earliest. But when we failed to submit those documents, Enforcement Officer visited our factory and demanded for relevant documents, on such visit one of our promoter Mr. Pradeep Badkur explained to him that, the Company is not in a position all of the documents requested, as due to fire certain documents including books of accounts, registers and other concerning files were destroyed, which had occurred in our Registered Office premises on January 12, 2013, an FIR to that effect had also been filed by our Company on January 13, 2012 subsequently the enforcement officer collected remaining documents from us along with the copy of the First information Report which was filled by us in pursuant to such fire.. Till date no response/action is initiated by the competent authority on the basis of the reply, documents provided by the Company.

D. Past Penalties

There are no cases in the last five years in which penalties have been imposed on the Company.

E. Non – Payment Of Statutory Dues

As per last audited financial report of our Company for the FY 2013, the company had not deposited following statutory dues with appropriate authorities:

Nature of Dues	Rs in Lacs
WCT Payable	0.48
TDS Payable	1.62
Professional Tax Payable	0.13
Excise Duty Payable	0.75

PF Payable	0.54
Service Tax Payable	6.72
MVAT Payable	8.05
Deferred Sales Tax Due	7.80
Sales Tax Payable	6.06
Total	32.15

F. Non- Compliance/Defaults under certain Statutes/Rules:

1. under Companies Act,1956:

- a. Our Company has failed to prepare its books of accounts in accordance with the prescribed Accounting Standards, by the ICAI, in the past and accordingly may be subjected to penalty as per the provisions of Section 209 read with Section 211 of the Companies Act, 1956. However necessary corrective measures have been taken w.e.f FY 2012-13 in respect of AS-15 & FY 2011-12 in respect of AS 18.
- b. Our Company has failed to make disclosures in the Annual Returns as per the requirements of Schedule V of the Companies Act, 1956 in the past and accordingly may be subjected to penalty as per the provisions of Section 159 of the Companies Act, 1956.

PART III – LITIGATIONS RELATING TO THE PROMOTERS OF THE COMPANY

A. Cases filed against our Promoters

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Runja Laxman Lokhande V. Pradeep Shikharchand Badkur & Ors. (Cri. M.A. No 150/2008)

Mr. Pradeep Shikharchand Badkur, Chairman of our Company has been named as one of the accused in the Criminal Application No. 150 of 2008 wherein it has been alleged by the Applicant that, the Accused no. 3 (Mrs. Manisha Kantilal Chopda) of the criminal misc. application, who was holding a Power of Attorney on behalf of Complainant, and his deceased family members, fraudulently executed sale deed in favour of Surashtra Estate Private Limited (Accused no. 2) wherein Mr. Pradeep Shikharchand Badkur (Accused No. 1) was Director at the time of the execution of the sale of the aforesaid land.

It was also alleged that the accused No. 4 (Ramkant Bhaguji Dongare the Sub- Registrar) had accepted the content of the Power of Attorney by overlooking the provisions of Registration Act, 1908 and other relevant provisions of laws. Therefore, it was alleged that the accused (No. 1, 2, 3 and 4) have violated Section 406, 420, 467, 468, 471, 472 read with Section 34 of Indian Penal Code. Subsequently, the Complainant approached the Ld. Judicial Magistrate, First Class, III Jt. Court Nasik Road and filed a complaint with aforesaid facts bearing Criminal Miscellaneous Application No. 150/2011 for the alleged violation of aforesaid sections. Thereafter Ld. Judicial Magistrate, vide an order dated July 18, 2011 directed the Upnagar Police Station to investigate the matter and submit the report to Ld. Judicial Magistrate. Thereafter against the order of the Ld. Magistrate the Accused no. 3 (i.e. Mrs. Manisha Kantilal Chopda), filed a Criminal Revision Application dated September 20, 2011 before the Court of District and Session Judge, Nasik challenging the order dated July 18, 2011 of Judicial Magistrate, First Class, Nasik Road, whereby the Ld. Magistrate directed Upnagar Police to investigate the matter under section 156(3) of Code for Criminal Procedure, 1973. The Ld. Session court has not passed any order as on the date of this Prospectus on the revisionary application filed by the Accused No. 3, which is under consideration.

Upnagar Police station in its report, post investigation, to Judicial Magistrate, First Class, III Nasik Road in the matter of Criminal Miscellaneous Application No. 150/2011, states that no offences can be made out against any of the accused (including accused no. 1 and 2) mentioned in the aforesaid Complaint (Cri. MA. No.150/2008) . Thereafter, Hon'ble High Court in the view of this development vide its order dated January 07, 2013 disposed the Application of the Complainant without going to the merits of the Report. Currently both the application is under consideration of Hon'ble Courts.

Mr. Badkur resigned from the Directorship of Surashtra Estates Private Limited on August 06, 2012.

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Taxation Laws

Nil

B. Cases filed by our Promoters

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Securities and Economics Law

Nil

C. Past Penalties

Nil

PART IV – LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

A. Cases filed against the Directors

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

Nil

B. Cases filed by the Directors

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Tax Liabilities

Nil

C. PAST PENALTIES

Mr. Ignatious David Chittatukarakaran Inasu, one of the directors of our Company, is covered by entry no. 5 and enrolled under the Maharashtra state Tax on Professions, Trades, Callings and Employment Act, 1975. Mr. Inasu had been penalized for non-payment of Profession Tax from the financial year 2005-06 to 2012-13. However the tax along with penalty and the interest thereon was paid.

PART V– LITIGATIONS RELATING TO THE PROMOTER GROUP

A. Cases filed against the Promoter Group

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Runja Laxman Lokhande V. Pradeep ShikharChand Badkur& Ors. (Cri. M.A. No. 150./2008)

One of our Group Company M/s Surashtra Estate Private Limited has been named as one of the accused in the Criminal Application No. 150 of 2008 wherein it has been alleged by the Applicant that, the Accused no. 3 (Mrs. Manisha Kantilal Chopda) of the criminal misc. application, who was holding a Power of Attorney on behalf of Complainant, and his deceased family members, fraudulently executed sale deed in favour of Surashtra Estate Private Limited (Accused no. 2) wherein Mr. Pradeep Shikharchand Badkur (Accused No. 1) was Director at the time of the execution of the sale of the aforesaid land.

It was also alleged that the accused No. 4 (Ramkant Bhaguji Dongare the Sub- Registrar) had accepted the content of the Power of Attorney by overlooking the provisions of Registration Act, 1908 and other relevant provisions of laws. Therefore, it was alleged that the accused (No. 1, 2, 3 and 4) have violated Section 406, 420, 467, 468, 471, 472 read with Section 34 of Indian Penal Code. Subsequently, the Complainant approached the Ld. Judicial Magistrate, First Class, III Jt. Court Nasik Road and filed a complaint with aforesaid facts bearing Criminal Miscellaneous Application No. 150/2011 for the alleged violation of aforesaid sections. Thereafter Ld. Judicial Magistrate, vide an order dated July 18, 2011 directed the Upnagar Police Station to investigate the matter and submit the report to Ld. Judicial Magistrate. Thereafter against the order of the Ld. Magistrate the Accused no. 3 (i.e. Mrs. Manisha Kantilal Chopda), filed a Criminal Revision Application dated September 20, 2011 before the Court of District and Session Judge, Nasik challenging the order dated July 18, 2011 of Judicial Magistrate, First Class, Nasik Road, whereby the Ld. Magistrate directed Upnagar Police to investigate the matter under section 156(3) of Code for Criminal Procedure, 1973. The Ld. Session court has not passed any order as on the date of this Prospectus on the revisionary application filed by the Accused No. 3, which is under consideration.

Upnagar Police station in its report, post investigation, to Judicial Magistrate, First Class, III Nasik Road in the matter of Criminal Miscellaneous Application No. 150/2011, states that no offences can be made out against any of the accused (including accused no. 1 and 2) mentioned in the aforesaid Complaint(Cri. MA. No. 150/2008). Thereafter, Hon'ble High Court in the view of this development vide its order dated January 07, 2013 disposed the Application of the Complainant without going to the merits of the Report. Currently both the application is under consideration of Hon'ble Courts.

Mr. Badkur resigned from the Directorship of Surashtra Estates Private Limited on August 06, 2012.

3. **Litigation involving Securities and Economic Offences**
Nil

4. **Litigation involving Tax Liabilities**
Nil

B. Cases filed by the Promoter Group

1. **Litigation involving Civil/Statutory Laws**
Nil

2. **Litigation involving Criminal Laws**
Nil

3. **Litigation involving Securities and Economic Laws**
Nil

C. Instance where penalties were imposed on the Group Companies

Sl. No.	Name of the Entity	Year	Name of the Authority	Amount of Penalty
1	Chemtech Instrumentation Pvt. Ltd	May 15, 2008	Employees State Insurance	Rs. 589 (Form C-18) and Rs. 954 (Form D) paid with regards to for short or non-payment of dues under Section 45A and Section 85B of the ESIC Act paid with regards to Form D-18 for recovery of damages prescribed under Section 85b of the Act.

D. Non- Compliance of certain provisions of Companies Act

One of our Group Companies, Surashtra Estate Private Limited has defaulted in filing with its balance sheet and annual return with the concerned Registrar of Companies for the Financial Year 2010-11 & 2011-12 and may be subjected to penalty thereof.

PART VI – AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

Our Company has not received any information from its suppliers regarding their registration under the ‘Micro, Small and Medium Enterprises Development Act, 2006’. Hence the information required to be disclosed under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006; i.e. amounts owed to creditors including small scale undertakings, which is outstanding for more than 30 days as on November 30, 2013 cannot be determined.

The list of creditors as on November 30, 2013, which is outstanding for more than 30 days exceeding Rs 1 lacs as stated below.

(Amount in Rs)		
Sr. No.	Name of the Creditor	Amount outstanding for more than 30 Days
1.	Shivam Hardware	1,67,419
2.	Amod Engineering Works	2,21,707
3.	Anandmayee Forgings Private Limited	1,12,788
4.	Auma (India) Private Limited	8,90,203
5.	Daya Packers	4,68,614
6.	Dintec Valves Private Limited	1,93,586

7.	Eagle Engineering	4,47,769
8.	Eastern Metal Industries	1,76,936
9.	Jay Ganesh Enterprise	2,66,223
10.	Kavina Enterprises	3,30,909
11.	Nupro Engineering Syndicate	1,99,315
12.	Popular Metal	5,34,887
13.	Shiv Shakti Industries	2,11,650
14.	S S Alloys Product Private Limited	1,93,917
15.	Valves Industries	3,77,789
16.	Vir Alloys & Steel Co. Private Limited	2,04,675
17.	Rochelle Management Limited	3, 12,42, 251
	TOTAL	3, 62, 40, 638

Material Developments

In the opinion of the Board of our Company, there has not arisen, since the date of the last financial statements included in this Prospectus, any circumstance that materially and adversely affects or is likely to affect our business or profitability or the value of our assets or our ability to pay our liabilities within the next 12 months. Except as disclosed elsewhere in this Prospectus, there is no subsequent development after the date of the Auditor's Report which we believe is expected to have a material impact on reserves, profits, earning per share and book value of our business.

We certify that except as stated herein above:

- a. there are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
- b. there are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. there are no pending litigation against the promoters/ directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. there are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the promoters.
- e. there are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. there are no litigations against the promoters / Directors in their personal capacity.
- g. the Company, its promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor any disciplinary action has been taken by SEBI.
- h. as per the audited Balance sheet as March 31, 2013 there are no SSI units to whom, our Company owns any sum which is outstanding for more than 30 days.

GOVERNMENT & OTHER APPROVALS

Except for certain pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet applied for any licenses, consents, permissions and approvals for the proposed activities as contained in the Section titled “ Objects of the Issue” on page no 65 of Prospectus. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed.

Approvals in relation to the Issue:

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on April 22, 2013 authorized the Issue, subject to the approval by the shareholders of our Company under section 81(1A) of the Companies Act,1956.
- b. The shareholders have, pursuant to a special resolution at the Extraordinary General Meeting held on May 16, 2013 under section 81(1A) of the Companies Act,1956 authorised the Issue.
- c. No Objection Letter received from Indusind Bank dated August 01, 2013
- d. Letter dated October 11, 2013 from the SME Platform of BSE permitting use of the name of the Exchange

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR BUSINESS

Sr. No	Nature of Registration / License	Registration / License No.	Issuing Authority	Date of Issue	Date of Expiry
<i>Constitutional Registration</i>					
1.	Certificate of Incorporation	U29299MH1997PTC105108	Registrar of Companies, Mumbai, Maharashtra	January 15, 1997	Perpetual
2.	Fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company	U29299MH1997PLC105108	Registrar of Companies, Mumbai, Maharashtra	April 22, 2013	Perpetual
<i>Taxation Registration</i>					
1.	Permanent Account Number	AAACC5866H	Income Tax Department		Perpetual
2.	Tax Deduction Account Number	MUMC14232B	Income Tax Department	April 21, 2006	Perpetual
3.	Maharashtra Value Added Tax Registration No.	27370276340V	Sales Tax Officer, Registration Branch, Mumbai	April 01, 2006	Perpetual
4.	Central Sales Tax Registration No.	27370276340C	Sales Tax Officer, Registration Branch, Mumbai	April 01, 2006	Perpetual
5.	Service Tax Registration for Maintenance and Repairs Services	AAACC5866HST001	Superintendent, Service Tax, Mumbai	May 10, 2005	Perpetual
6.	Service Tax Registration for Maintenance or Repairs Services, Transport of	AAACC5866HSD001	Central Excise Officer, Mumbai	Original Date : 28/03/2012	Till the business is discontinued

	Goods by road/ good transport agency service			and Amended Certificate date June 12, 2013	
7.	Central Excise Registration No. (For our manufacturing Unit situated at Gut no. 37, Kondala Road, Vadavali Village, Wada Taluka, Thane, Maharashtra)	AAACC5866HEM002	Central Board of Excise and Customs, Ministry of Finance – Department of Revenue, Mumbai	August 31, 2008	Till the *business is discontinued
8.	Central Excise Registration No. (For our manufacturing Unit situated at Gala no. 12, 13, 16 & 42, Nirmal Ashish Indl. Estate, Asangaon, Shahapur, Thane, Maharashtra – 421 601.)	AAACC5866HXM001	Central Board of Excise and Customs, Ministry of Finance – Department of Revenue, Mumbai	December 07, 2004	Till the business is discontinued
9.	Professional Tax Registration No.	27370276340P	Professional Tax Officer, Mumbai	July 31, 2013	-
Other Approvals (Company)					
1.	Registration under Bombay Shops and Establishments Act, 1948	760114780 / Commercial II Ward S	Inspector under Bombay Shops and Establishments Act, 1948	November 24, 2009	December 31, 2014
2.	Approval as Valves Manufacturer (Size up to 30” dia) under Indian Boiler Regulations, 1950.	Letter no SB-5/SBC/2013/6281	Director of Steam Boilers, Mumbai Maharashtra.	February 27, 2013	December 31, 2013
3.	NSIC-CARE MSE Rating Certificate	270211204662	Credit Analysis and Research Ltd.	February 07, 2013	February 06, 2014
4.	Registration with Employees’ Provident Fund Organizations	THTHA0205033000	Asst. Provident Fund Commissioner, Regional Office, Mumbai – II, Thane	April, 2012	
5.	ISO 9001:2008 Certification for Quality Management System	210050	SWISS CERT PVT. LTD	September 02, 2008	August 30, 2014
Other Approvals (Thane Office)					
1.	Registration under Bombay Shops and Establishments Act, 1948	126122000000402931 4	Office of Deputy Commissioner of Labour, Thane	October 25, 2013	December 31, 2015
2.	No Objection Certificate for location clearance, establishing a new IT Unit at Office No. 503, 5 th Floor, Plot No. B-68, “Quantam IT Park”, Thane, MIDC Industrial Area,	Letter No: No/MIDC/TA/Thane/B-68/11785/2013/1281	Maharashtra Industrial Development Corporation, Government of Maharashtra, India	March 13, 2013	Validity of this NOC will be co-terminus with agreement to Lease/Lease

	Thane, Maharashtra				entered with MIDC, in respect of the plot under reference or three years, whichever is earlier
3.	Letter of Intent as ITES Unit for CAD Services	Letter No: IT/(SV)/Letter of Intent/11/24/MIDC/00327	Maharashtra Industrial Development Corporation, Government of Maharashtra, India	March 03, 2013	Letter of Intent is valid for a period of 3 years from the date of Issue
Other Approvals (Wada Unit)					
1.	Registration under Factories Act, 1948	098785	Directorate of Industrial Safety and Health.	September 9, 2013	December 31, 2014
2.	S S I Registration	Part II Reg. No. 27-021-12-04662	General Manager, District Industries Centre, Thane, Maharashtra	September 28, 2012*	-
3.	Sanction Letter of power supply	Letter No: SE/VC/TECH/VSI-CON/211	Superintending Engineer, Maharashtra State Electricity Board, Vasai		
4.	Consent to Operate under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization / Renewal of Authorization under Rule 5 of the Hazardous Waste (Management, Handling & Transboundary Movement) Rules 2008	Consent No: MPCB/SROK-III/O/CC-575	Maharashtra Pollution Control Board	May 18, 2012	April 30, 2015
Other Approvals (Asangaon Unit)					
1.	SSI Registration No. for Gala 12,13,16 and 42 , Nirmal Ashish Industrial Estate	112407616	District Industries Centre	October 07, 1998	-

* EM Regn Date

APPROVALS/LICENSES/PERMISSIONS APPLIED FOR

In addition to the above, following are the licenses/approvals/registrations that our Company has applied for but not procured as on the date of this Prospectus: -

Sr. No.	Nature of Registration / License	Unit	Date of Application	Issuing Authority
1.	Import Export Code	-	August 07,2013	Additional Director General of Foreign Trade, Mumbai

APPROVALS/LICENSES/PERMISSIONS FOR THE OBJECTS OF THE ISSUE

The Government and other approvals/licenses/registrations requisite for attainments of Objects of the Issue, if any, will be applied for in due course.

INTELLECTUAL PROPERTY

Set forth below are the Trademarks for which the application for registration under the Trademarks Act, 1999, have been filed by our Company:

Sr. No.	Nature of License/Approval	Class	Application No.	Date of Application
1.	Trade Mark	6	2549165	June 15, 2013
2.	Trade Mark	16	2549168	June 15, 2013
3.	Trade Mark	35	2549169	June 15, 2013

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board dated April 22, 2013. The shareholders have authorised the Issue by a special resolution passed pursuant to section 81(1A) of the Companies Act, 1956 at the EGM of our Company held on May 16, 2013.

We have received approval from BSE vide letter dated October 11, 2013 for the use of its name in this offer document for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by the SEBI

Our Company, our Directors, our Promoters, the Promoter Group or the person(s) in control of our Company have not been debarred from accessing the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

The companies, with which any of the Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control, have not been debarred from accessing the capital markets under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority.

None of our Directors hold currently or have held directorship(s) in the last five years in a listed company whose shares have been or were suspended from trading on BSE or the NSE or in a listed company which has been/ was delisted from any stock exchange.

None of our Directors are associated in any manner with any entity which is engaged in securities market related business and is registered with SEBI for the same.

Prohibition by the RBI

Our Company, our Directors, our Promoters, the relatives (as defined under the Companies Act) of our Promoter, the Promoter Group and companies in which our Directors, Promoter are associated as directors or promoter have not been declared as wilful defaulters by RBI or any other governmental authorities, except as details provided in the chapter "*Outstanding Litigations, Material Developments and Other Disclosures*" beginning on page 201 of the Prospectus.

Eligibility for the Issue

Our company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M)(2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an issuer whose post issue paid up capital is greater than 10 Crores but less than 25 crores and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE").

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue will be hundred percent underwritten and that the Lead Manager to the Issue will underwrite more than 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to "General Information" beginning on page 43 of this Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40(1),(2),(3),(4) and (5) of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have neither filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please refer to “General Information – Details of the Market Making Arrangements for this Issue” on page 48 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012, which states as follows:

1. *Eligibility Norm: “Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results”*

Our Company satisfies the above criteria. Our Net Tangible Assets for the year ended March 31, 2013 is as disclosed hereunder:

(Rs in Lacs)	
Particulars	March 31,2013
Fixed Assets (Less Revaluation Reserve)	1542.72
Non- Current Investments, Long Term Loans & Advances and other Non- Current Assets	20.76
Current Assets	1187.96
Less: Current Liabilities	(1322.96)
Non- Current Liabilities (excluding deferred tax liabilities)	(983.76)
Net Tangible Assets	444.72

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

2. *Eligibility Norm: “Net worth (excluding revaluation reserves) of at least Rs. 1 crore as per the latest audited financial results”.*

Our Company satisfies the above criteria. Our Net Worth as per *the restated financial* statements is as under:

(Rs in Lacs)	
Particulars	March 31, 2013
Net Worth	404.39

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

3. *Eligibility Norm: “Track record of distributable profits in terms of Section 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the networth shall be at least Rs. 3 Crores”.*

Our Company has distributable profits in terms of sec 205 of Companies Act, 1956, for two out of three financial years immediately preceding three years as detailed below:

(Rs in Lacs)			
Particulars	March 31,2013	March 31,2012	March 31,2011
Distributable Profits	77.24	90.95	(30.29)

4. *Eligibility Norm : “The post-issue paid up capital of the Company shall be at least Rs. 1 crores”*

Our Company currently has a paid up capital in excess of Rs 1 crore, and the Post Issue Capital shall be Rs 11.47 crores.

5. *Eligibility Norm: “The Company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories”*

Our Company has entered into tripartite agreements with CDSL and NSDL along with our Registrar and Transfer Agent for facilitating trading in dematerialized mode.

6. *Eligibility Norm:”The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR)”.*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR)

7. *Eligibility Norm: “There is no winding up petition against the company that has been accepted by a court.”*

There is no winding up petition against the company that has been accepted by a court.

8. *Eligibility Norm: “ The Company shall mandatorily have a website”*

Our Company has a live and operational website: **www.chemtechvalves.com**

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter X-B of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 06, 2014, WHICH READS AS FOLLOWS:

“WE, THE LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTE, DISPUTE WITH COLLABORATORS, ETC AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS, AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC., FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION WOULD BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE.**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE.**

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE, AS SECTION 29 OF THE COMPANIES ACT, 2013, REQUIRES THAT A COMPANY SHALL ISSUE THE SECURITIES ONLY IN DEMATERIALIZED FORM BY COMPLYING WITH THE PROVISIONS OF THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR. – NOT APPLICABLE AS THIS IS THE FIRST ISSUE OF THE MERCHANT BANKER.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.**
4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 56 of the Companies Act, 1956 and Section 33(1) and (2) of the Companies Act, 2013, Section 60 of the Companies Act, 1956.

Disclaimer Clause of the SME Platform of BSE

“BSE Limited (“BSE”) has given vide its letter dated October 11, 2013, permission to this Company to use its name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”.

Disclaimer from Our Company and the Lead Manager

Investors may note that our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Prospectus or in any advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's websites, www.chemtechvalves.com, would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered into between the Lead Manager, Choice Capital Advisors Private Limited and our Company dated July 10, 2013, the Underwriting Agreement dated December 27, 2013 entered into between the Underwriters (Choice Capital Advisors Private Limited) and our Company and the Market Making Agreement dated December 27, 2013 entered into between the Market Maker, Lead Manager and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Caution

Investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in Respect of Jurisdiction

This Issue is made in India to persons resident in India (including Indian nationals resident in India), who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks and regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in section 4A of the Companies Act, state industrial development corporations, Venture Capital Funds (VCFs) registered with SEBI, Insurance Companies registered with Insurance and Regulatory Development Authority, Provident Funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs and pension funds with minimum corpus of Rs. 2,500 Lakhs, and to permitted non residents including FIIs, eligible NRIs, multilateral and bilateral development financial institutions, foreign venture capital investors registered with SEBI and eligible foreign investors provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any other jurisdiction to any Person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any Person into whose possession this Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus has been submitted to the Stock Exchanges and SEBI. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Transfer Restrictions

The Equity Shares have not been, and will not be, registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares will be offered and sold only (i) outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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

Further, each applicant, where required, agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Prospectus is being filed with BSE SME Platform, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Everest Building, 100, Marine Drive, Mumbai 400 002, Maharashtra.

A copy of the Prospectus is being filed with SEBI at the Corporate Finance Department, Plot No. C-4A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 while filing the Prospectus with BSE and RoC, Mumbai.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining in- principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares of our Company. The BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

The SME Platform of BSE has granted approval for the use of its name in our Prospectus; vide its letter dated October 11, 2013.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 39 (3) of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

38. (1) Any person who-

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.

(2) The provisions of sub-section (1) shall be prominently reproduced in every prospectus issued by a company and in every form of application for securities.

(3) Where a person has been convicted under this section, the Court may also order disgorgement of gain, if any, made by, and seizure and disposal of the securities in possession of, such person.

(4) The amount received through disgorgement or disposal of securities under sub-section (3) shall be credited to the Investor Education and Protection Fund.

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, the auditors, the Bankers to our Company, the Lead Manager, the Registrar to the Issue, Banker(s) to the Issue, the Escrow Collection Banks, Refund Bank(s), Legal Advisor to the Issue, Underwriters and Market Maker to the Issue to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with RoC we shall further ensure that such consents have not been withdrawn upto the time of delivery of this Prospectus for registration with the RoC, as required under Section 60 of the Companies Act, 1956.

M/s S. P. Jain & Associates, Chartered Accountants, our Statutory Auditors have given their written consent to the inclusion of their report as appearing in the form and context in which appears in this Prospectus and also of the tax benefits accruing to the Company and to the members of the Company and such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registrations to the Registrar of Companies.

Expert Opinion

Except for the reports in the section "Financial Information" and "Statement of Possible Tax Benefits" report on page 143 and page 73 from the Statutory Auditors, our Company has not obtained any expert opinions.

Expenses of the Issue

The expenses of this Issue include, among others, fees payable to intermediaries including lead managers, printing and distribution expenses, legal fees, advertisement and marketing expenses and legal and depository fees among others and are estimated at Rs 53 lacs (approximately 7.14 % of the total Issue size), of this Rs 9.01 lacs has been expended till November 30, 2013, a certificate dated November 30, 2013 to that effect has been received from S. P. Jain & Associates, Chartered Accountants, the Statutory Auditors of the Company, the remaining amount will be met out of the proceeds of the Issue. For details of total expenses of the Issue, see the section -Objects of the Issue on page 65 of the Prospectus.

Fees payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Issue Agreement dated April 22, 2013 signed between our Company and the Lead Manager, a copy of which is available for inspection at our Registered Office

Fees payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement signed with between our Company and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will also be reimbursed with all relevant out-of-pocket expenses such as cost of stationery, postage, stamp duty, communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

Previous public or rights issues by our Company during the Last Five Years

This being the first public issue, our Company has not undertaken any public or right issues in India or abroad in the five years preceding the date of the Prospectus.

Previous issue of shares otherwise than for cash

Except as disclosed in the chapter “Capital Structure” beginning on page 51 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than cash.

Commission or brokerage on previous issues

Since this is the initial public offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

Companies under the same management

Except as stated in the chapter titled “Our Promoter and “Our Promoter Group” beginning on page 131 of this Prospectus, there are no companies under the same management within the meaning of former section 370 (1B) of the Companies Act, 1956.

Neither our Company nor any other Company under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 is listed on any of the Stock Exchanges and has not made any capital issue since inception.

Promise vs Performance – Previous Issues of our Company and our Group / Subsidiary / Associate Companies

Our Company has not made any public issue of Equity Shares since its incorporation.

None of our Group / Subsidiary / Associate Companies has made any public issues in the past.

Outstanding debentures or bond issues

As on the date of filing this Prospectus, our Company does not have any outstanding debentures. Further our Company has made any bond issue.

Stock Market Data

This being the first public issue by our Company, no stock market data is available.

Disclosure on Investor Grievances and Redressal System

The Agreement between the Registrar to the Issue and our Company entered on July 01, 2013 provides for retention of records with the Registrar to this Issue for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and making refunds as per the modes disclosed to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicants.

Disposal of Investor Grievances

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within seven working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has also constituted an Investor's / Shareholders Grievance Committee to review and redress the shareholders and investor grievances related to transfer of Equity Shares, non- recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the chapter titled "Our Management" on page 115 of this Prospectus

Our Company has appointed Mr. Mohammed Slatewala, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems, at the following address

Mr. Mohammed Slatewala

Company Secretary & Compliance Officer

105, Hiranandani Industrial Estate,

Opp. Kanjurmarg Railway Station,

Kanjurmarg (W), Mumbai – 400 078

Maharashtra, India

Tel: +91 22 2577 3308

Fax: +91 22 2579 4128

Email: investors@chemtechvalves.com

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Changes in the Auditors during last three years and reasons thereof

There have been no changes in our auditors in the last three years. The present Statutory Auditor of the Company is S.P. Jain & Associates, Chartered Accountants.

Capitalisation of reserves or profits during the last five years

Our Company has not capitalized its reserves in the last five years, except as stated in the chapter titled "Capital Structure" beginning on page 51 of this Prospectus.

Revaluation of assets during the last five years

Our Company had revalued its factory gala no 12,13,14,16 and 42 at Asangoan at fair market value as on 01.04.2011 amounting to Rs 60,07,500/- , based on the valuation report of an independent government approved valuer. Correspondingly revaluation reserve had been created to the extent of Rs 36,93,762/-

SECTION VII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the SEBI (ICDR) Regulations, the SCRR, the terms of this Prospectus, the Application Form, the Listing Agreement to be entered with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Issue and to the extent applicable.

Authority for the Issue

Our Board has, pursuant to its resolution dated April 22, 2013 authorised this Fresh Issue, subject to approval by the shareholders of our Company under Section 81(1A) of the Companies Act.

The shareholders of our Company have authorised this Fresh Issue by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on May 16, 2013 and authorised the Board to take decisions in relation to this Issue.

Our Company has received in principal approval from the SME Platform of the BSE dated October 11, 2013 for use of name of the Exchange in the offer document.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares including rights in respect of dividend. Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. See section titled "Main Provisions of the Articles of Association" on page no 251 of this Prospectus for a description of significant provisions of our Articles.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per the provisions of the Companies Act. For further details, please refer to "Dividend Policy" on page 142 of this Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10/- each. The Issue Price is Rs. 15/- per Equity Share. The Issue Price has been determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue Price" on page 71 of this Prospectus.

There shall be only one denomination of the Equity Shares of our Company at any given point of time, subject to applicable laws.

Compliance with Regulations issued by SEBI

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability; and such other rights, as may be available to a shareholder of a listed public company under the Companies Act the terms of the listing agreements executed with the Stock Exchange, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled “Main provision of the Articles of Association of our Company” beginning on page 251 of this Prospectus.

Market Lot, Trading Lot and Minimum Application Value

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialised form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

As per the provisions of Section 29 of the Companies Act, 2013, our Company shall issue shares only in dematerialised form by complying with provisions of the Depositories Act, 1996.

The trading of the equity shares shall be at a minimum contract size of 8000 equity shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 8000 Equity Shares subject to a minimum allotment of 8000 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 12 working days of closure of issue.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint holders with benefits of survivorship.

Jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, 1956, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicants, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, 1956, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority of the nominee. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 109B of the Companies Act, 1956 any Person who becomes a nominee by virtue of Section 109A of the Companies Act, 1956, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors wish to amend their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue being 100% underwritten is not restricted to any minimum subscription level. If our Company does not receive 100% subscription of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and after that period it can exercise the option to shift to migrate to the Main Board of the BSE in accordance with the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations, subject to the following:

- i. If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which would have to be approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the

main board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board. OR

- ii. Where the paid up Capital of our company exceeds Rs. 10 crores but is below Rs. 25 crores, our Company may apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Prospectus. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker see chapter titled “General Information” on page 43 of this Prospectus.

Arrangement for disposal of odd lot

The trading of the equity shares will be in the minimum contract size of 8,000 shares. Where value of shareholding of a shareholder is less than the minimum contract size allowed for trading on the SME Exchange, the market maker shall buy the entire shareholding of such shareholder in one lot.

Restriction on transfer and transmission of shares

Except for lock-in as detailed in “Capital Structure” beginning on page 51 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please see “Main Provisions of the Articles of Association” beginning on page 251 of this Prospectus.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Option to receive Equity Shares in Dematerialized Form

1. Our Company shall issue shares only in dematerialised form. Investor applying in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may issue shares to the public and list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on pages 224 and 230 respectively, of this Prospectus.

Following is the issue structure:

Public Issue of 49,52,000 Equity Shares of Rs.10/- each for Cash at a Price of Rs.15/- per Equity Share (including a Share Premium of Rs. 5/- Per Equity Share) aggregating upto Rs. 742.80 Lacs (The "Issue") by our Company, of which 2,80,000 Equity Shares of Rs.10/- each will be reserved for subscription by Market Makers to the Issue ("Market Maker Reservation Portion") The Issue less the Market Maker Reservation Portion i.e. Issue of 46,72,000 Equity Shares of Rs. 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 43.17% and 40.73% respectively of the Post Issue Paid Up Equity Share Capital of Our Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	46,72,000 Equity Shares	2,80,000 Equity Shares
Percentage of Issue Size available for allocation	94.35% of the Issue Size	5.65% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 8,000 equity shares and further allotment in multiples of 8,000 equity shares each. For further details please refer to chapter titled "Issue Procedure" on page no.230 of this Prospectus	Firm Allotment
Minimum Application Size	For QIB and NII: Such number of equity shares in multiples of 8,000 equity shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 8,000 Equity Shares	2,80,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in multiples of 8,000 equity shares such that the Application Size does not exceed 46,72,000 equity shares. For Retail Individuals: Such number of Equity Shares in multiples of 8,000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.	2,80,000 Equity Shares
Mode of application	For QIB Applicants and Non-	Through ASBA Process Only

	Institutional Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or non-ASBA process.	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	8,000 Equity Shares	8,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

** 50 % of the shares offered are reserved for allocation to applications below or equal to Rs. 2 lacs and the balance for higher amount applications. The unsubscribed portion in either category may be allocated to applicants in other category.*

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue any time after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days, providing reasons for not proceeding with the Issue. Our Company shall also inform the same to Stock Exchange on which the Equity Shares are proposed to be listed and the Lead Manager through the Registrar shall notify the SCSBs to unblock the ASBA Account within one day from the date of such notification.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

Issue Programme

ISSUE OPENING DATE	January 15, 2014
ISSUE CLOSING DATE	January 17, 2014

Applications and any revisions to the same will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday) between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches.

ISSUE PROCEDURE

Fixed Price Issue Procedure

This Issue is being made under Regulation 106M (2) of SEBI (ICDR) Regulations through a fixed price process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Banker to the Issue or collection centres who shall duly submit the same to the Registrar of the Issue. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that equity Shares will be allotted to successful Applicants in dematerialized form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the BSE.

Availability of Prospectus and Application Forms

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue and the Collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The Application Forms may also be downloaded from the website of SME Platform of BSE Limited i.e. www.bsesme.com

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The application form shall contain space for indicating number of specified securities subscribed. At the time of submitting the application, applicants should mention the Application Form number on the reverse of the cheque/demand draft to avoid misuse of instrument submitted along with the application for shares.

Applicants other than retail individual investors shall apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. The application form shall bear the stamp of the SCSBs and if not, the same shall be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Color
Indian Public / NRI's applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents including eligible NRI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Submission and Acceptance of Application Forms

Applications will be accepted during the Issue Period, only during the regular banking days and hours of the respective bank branches of the Banker to the Issue and collection centres. For details of the bank branches where applications can be submitted and acknowledgment obtained, please see the Application Form.

With respect to non-ASBA Applicants, the Application Form duly completed and accompanied by account payee cheques or drafts shall be submitted to the bankers. With respect to ASBA Bidders, the Application Form shall be

submitted, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained.

Applicants residing at places where the designated branches of the Banker to the Issue or collection centres are not located may submit the application at their sole risk along with a Demand Draft payable at Mumbai, by post, to the Registrar to the Issue.

Who can apply?

1. Indian nationals resident in India who are not minors, in single or joint names (not more than three). Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws;
6. Indian Financial Institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations, as applicable);
7. Multilateral and bilateral development financial institution;
8. Venture Capital Funds registered with SEBI;
9. Foreign Venture Capital Investors registered with SEBI;
10. FIIs and sub-accounts registered with SEBI subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue;
11. State Industrial Development Corporations;
12. Insurance Companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with minimum corpus of Rs. 250 million which are authorized under their constitution to hold and invest in equity shares;
14. Pension Funds with minimum corpus of Rs. 250 million which are authorized under their constitution to hold and invest in equity shares;
15. National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;

17. Scientific and/or industrial research organizations authorized to invest in equity shares;
18. Insurance funds set up and managed by the army, navy or air force of the Union of India;
19. Limited liability partnerships;
20. Insurance funds set up and managed by the Department of Posts, India;
21. Any other QIBs permitted to invest, subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue.
22. Nominated Investor and Market Makers; and
23. Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

Applications not to be made by:

1. Minors
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Participation by associates / affiliates of LM

Except for fulfilling its obligation under the Underwriting arrangement, the Lead Manager shall not be subscribing to this Issue in any manner. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the reserved category as Market Makers, where allocation is on firm basis and/or in Net issue to the public category, where the allocation is on a proportionate basis.

Subscription to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or

sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue capital. In respect of an FII investing in our equity shares on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII

shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Applications by Eligible QFIs

Eligible QFIs are permitted to invest in the equity shares of Indian companies on a repatriation basis subject to certain terms and conditions. Eligible QFIs have also been permitted to invest in equity shares of Indian companies which are offered to the public in India in accordance with the SEBI Regulations. The individual and aggregate investment limits for Eligible QFIs in an Indian company are 5.00% and 10.00% of the paid up capital of the Indian company respectively. These limits are in addition to the investment limits prescribed under the portfolio investment scheme for FIIs and NRIs. However, in cases of those sectors which have composite foreign investment caps, Eligible QFI investment limits are required to be considered within such composite foreign investment cap. An Eligible QFI may make investments in the equity shares of an Indian company through both the FDI route and the QFI route. However, the aggregate holding of such Eligible QFI shall not exceed 5.00% of the paid-up capital of the Indian company at any point of time.

QFIs shall be eligible to apply under the Non-Institutional Applicants category. Further, SEBI in its circular dated January 13, 2012 has specified, amongst other things, eligible transactions for Eligible QFIs (which includes investment in equity shares in public issues to be listed on recognised stock exchanges and sale of equity shares held by Eligible QFIs in their demat account through SEBI registered brokers), manner of operation of demat accounts by Eligible QFIs, transaction processes and investment restrictions. SEBI has specified that transactions by Eligible QFIs shall be treated at par with those made by Indian non-institutional investors in various respects including, margins, voting rights, public issues, etc.

Eligible QFIs shall open a single non-interest bearing Rupee account with an AD category-I bank in India for routing the payment for transactions relating to purchase of equity shares (including investment in equity shares in public issues) subject to the conditions as may be prescribed by the RBI from time to time.

Eligible QFIs who wish to participate in the Issue are advised to use the Application Form meant for Non- Residents (blue in colour). Eligible QFIs shall compulsorily apply through the ASBA process to participate in the Issue.

Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Applications by limited liability partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended ("LLP Act") a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of Rs. 2500 lacs, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the Lead Manager may deem fit.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

A list of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("**ASBA Account**") is maintained. The Application Form shall bear the stamp of the SCSBs and if not, the same shall be rejected.

The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager. ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Minimum and Maximum Application Size

The applications in this Issue, being a fixed price issue, will be categorized into two;

1. Applications by Retail Individual Investors

The application must be for a minimum of 8,000 Equity Shares and in multiples thereof. The total amount payable on application shall not exceed Rs. 2,00,000/-. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2, 00,000/-.

2. Application by other applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 8,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Applications (both in terms of number of Equity Shares applied for and Application Amount) at any stage and are required to pay the entire Application Amount upon submission of the Application. The identity of QIBs applying in the Net Issue under the QIB Portion shall not be made public during the subscription Period.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2, 00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

Information for the Applicants:

1. Our Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
2. The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
3. Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from registered office of the Company or Lead Manager.
4. Applicants who are interested in subscribing for the Equity Shares should approach the branches of the Banker to the Issue or collection centres to submit their applications. Applicants should obtain the acknowledgement from the Banks/collection centres and retain the same with them for reference.
5. Applications made in the Name of Minors and/or their nominees shall not be accepted.
6. Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Marathi newspaper with wide circulation.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, see “Issue Procedure - Payment Instructions” at page 230 of this Prospectus.

Signing of Underwriting Agreement

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on December 27, 2013.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56 of Companies Act, 1956 and sub sections (1) and (2) of section 33 of Companies Act, 2013 and Section 60 of the Companies Act, 1956.

Designated Date and Allotment of Equity Shares

Our Company will ensure that the (i) Allotment of Equity Shares; and (ii) credit to successful Applicants' depository account is done within 12 working Days of the Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, our Company would ensure the credit to the successful Applicants Depository Account within 12 working days of the Issue Closing Date.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 12 working days of the Issue Closing Date.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 days of closure of issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Applicant.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply;
2. Read all the instructions carefully and complete the applicable Application Form;
3. Ensure that the DP ID, Client ID and PAN details match with the depository account and the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant (For applicant applying in demat form);
4. Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
5. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
6. Ensure that in case of Applications are made under power of attorney or Applications by limited companies, corporate, trusts etc., relevant documents are submitted;
7. Ensure that Applications submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form
3. Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
4. Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
5. Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
6. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LM nor the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allotment Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on their records.

ESCROW MECHANISM

Terms of Payment / Payment Instructions

The entire issue price of Rs. 15/- per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stock invest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each application form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Cash / Stockinvest / Money Orders/ Postal orders will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. Indian Public including eligible NRIs applying on non-repatriation basis: "Escrow Account – Chemtech Industrial Valves Limited – Public Issue Resident ".
 - b. In case of Non-Resident Retail Applicants applying on repatriation basis: "Escrow Account – Chemtech Industrial Valves Limited – Public Issue Non Resident”
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
4. On the Designated Date and no later than 12 Working days from the Issue Closing Date, the Escrow Collection Bank shall refund amounts to paid on application to unsuccessful Applicants and the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the successful Applicants.

Payment by Stock invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

2. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
3. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

In case of partial allotment, allotment shall be done in demat option for the specified securities sought in demat form and balance, if any, will be allotted in physical form.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without the PAN will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and, Retail Individual Applicants, the Company has a right to reject Applications based only on technical grounds.

Grounds for Technical Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Application made by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Application Form;
5. GIR number furnished instead of PAN;
6. Applications for lower number of Equity Shares than specified for that category of investors;
7. Applications at a price other than the Fixed Price of The Issue;
8. Applications for number of Equity Shares which are not in multiples of 8,000;
9. Category not ticked;
10. Multiple Applications as defined in this Prospectus;
11. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
12. Applications accompanied by Stock invest/ money order/ postal order/ cash;
13. Signature of sole Applicant is missing;
14. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
15. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
16. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
17. Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
18. Applications by OCBs;
19. Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
20. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
21. Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
22. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
23. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
24. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 5.00 pm on the Issue Closing Date;
25. Applications not containing the details of Bank Account and / or Depositories Account.

Equity Shares In Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated July 23, 2013 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated July 4, 2013 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No INE212P01011

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only being in dematerialized form for all investors.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

PAYMENT OF REFUND

For applications that are rejected for any reasons or applications that are unsuccessful in getting allotments, or Applications entitled to refund of excess application monies in view of oversubscription in the Issue, our Company shall make refunds within 12 working days of the Issue closing date. Refunds will be sent to the Bank account linked to the depository account of the applicant/provided by the Applicant in the Application Form. Where refund orders are despatched, they will be printed with the Bank details and mailed to the address as available in the depository system/ given by the Applicant in the Application Form. Our Company, Lead Manager or the Registrar will not be liable for any delays or errors if such details are different from the details made in the application.

In case of ASBA Applicants, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications or where there is refund of excess monies on account of oversubscription in the issue within 12 Working Days of the Issue Closing Date.

If there is any delay in effecting the refunds as aforesaid, our Company shall pay interest at 15% p.a. for the period of delay.

Refunds will be payable in INR only and shall be net of bank charges and/ or commission. In case of Applicants who remit money through INR drafts purchased abroad, such payments in INR will be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE Accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

1. **NECS** (National Electronic Clearing System) -. Payment of refund would be done through NECS for applicants having an account at any of the centres specified by the RBI where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.
2. **Direct Credit** - Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
3. **RTGS** (Real Time Gross Settlement) - Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds Rs. 2.00 lakhs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. **NEFT** (National Electronic Fund Transfer) - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Disposal of applications and application moneys and interest in case of delay

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 12 Working Days from the Issue Closing Date.

In case of applicants who receive refunds through NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 Working Days from the Issue Closing Date. A suitable communication shall be sent

to the Applicants receiving refunds through this mode within 15 days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made within 12 Working Days of the Issue Closing Date;
- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 Working Days of the Issue Closing Date would be ensured. With respect to the ASBA Applicants, instructions for unblocking of the ASBA Applicants 's Bank Account shall be made within 12 Working Days from the Issue Closing Date.
- Our Company shall pay interest at 15% p.a. for any delay beyond the 15 days from the Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 12 Working Days prescribed above. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company, every Director of our Company who is an officer in default shall, on and from expiry of eight days, be liable to repay the money with interest as prescribed under the applicable law; and
- Our Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of securities therein to him, any other person in a fictitious name,

shall be liable for action under Section 447 of the Companies Act, 2013.”

Section 447 of the Companies Act, 2013, is reproduced as below:

“Without Prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.”

BASIS OF ALLOTMENT

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 8,000 equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted 8,000 equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 8,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 8,000 equity shares subject to a minimum allotment of 8,000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 8,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below :
 - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c. The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' beginning on page 247 of this Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

Basis of Allotment in the event of Undersubscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page 224 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director / Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

Refunds

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allotment advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LM shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit holders of power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allotment advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the Depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FIIs and foreign venture capital funds and all Non-Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Undertakings by our Company

The Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to expeditiously and satisfactorily;
2. that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of basis of allotment;
3. that the funds required for making refunds as per the modes disclosed or dispatch of Allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;

4. that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. that the instruction for electronic credit of Equity Shares / refund orders / intimation about the refund to non-resident Indians shall be completed within the specified time;
6. that no further Issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under- subscription etc.; and
7. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
8. that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Utilization of Issue Proceeds

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

Subscription by foreign investors (NRIs/FIIs)

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares by an Indian resident to a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met.

The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI; and (iii) a compliance certificate in this regard is obtained from a Chartered Accountant and attached to the filings made before the Authorized Dealer Bank.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to the provisions of Schedule II of the Companies Act and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares and other main provisions are as detailed below. Each provision herein below is numbered as per the corresponding article number in the Articles of Association and capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and Contents
<p>Copies of Memorandum and Articles to be furnished by the Company</p>	<p>3.</p> <p>Pursuant to Section 39 of the Act, the Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a prescribed fee, a copy of each of the following documents, as in force for the time being:</p> <ul style="list-style-type: none"> (i) the Memorandum; (ii) the Articles, if any; <p>every other agreement and every resolution referred to in Section 192, of the Act, if and in so far as they have not been embodied in the Memorandum or the Articles.</p>
<p>Company's funds may not be applied in purchase of or lent for shares of the Company</p>	<p>4.</p> <ul style="list-style-type: none"> (i) The Company shall not have power to buy its own shares, unless the consequent reduction of Capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 of the Act. (ii) The Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company. <p>Provided that nothing in this clause shall be taken to prohibit:</p> <ul style="list-style-type: none"> a) the provision by the Company, in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or b) the making by the Company of loans, within the limit laid down in sub-section (3) of Section 77 of the Act, to persons (other than Directors or Managers) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding company to be held by themselves by way of beneficial ownership; c) No loan made to any person in pursuance of clause (b) or the foregoing provisions shall exceed in amount, his salary or wages at that time for a period of six months; <p>Nothing in this Article shall affect the right of the Company to redeem any shares issued under Section 80 of the Act.</p>
<p>Share Capital and Variation of Rights</p>	<p>5.</p> <ul style="list-style-type: none"> a) The Authorised Share Capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company with rights to alter the same in whatever way as deemed fit by the Company. The Company may

	<p>increase the Authorised Capital which may consist of Equity and / or Preference Shares as the Company in General Meeting may determine in accordance with the law for the time being in force relating to Companies with power to increase or reduce such capital from time to time in accordance with the Regulations of the Company and the legislative provisions for the time being in force in this behalf and with power to divide the shares in the Capital for the time being into Equity Share Capital or Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents.</p> <p>b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.</p> <p>c) Minimum paid up capital of the Company shall be Rs. 5,00,000 (Rupees Five Lakhs Only).</p>
--	---

<p>Increase, Reduction and Alteration of Capital</p>	<p>6. The Company may from time to time in General Meeting increase its Share Capital by the issue of new shares of such amounts as it thinks expedient.</p> <p>On What Conditions the new shares may be issued</p> <p>a) Subject to the provisions of sections 80, 81 and 85 to 90 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the General Meeting creating the same as shall be directed and if no direction be given as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of the said sections with special or without any right of voting and subject to the provisions of Section 80 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.</p> <p>Further Issue of Shares</p> <p>b) Where at any time after the expiry of two years from the formation of a Company or at any time after the expiry of one year from the allotment of shares in that Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, then</p> <p>(i) such further shares shall be offered to the persons who at the date of offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the Capital paid up on those shares at that date.</p> <p>(ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</p> <p>(iii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (b) shall contain a statement of this right.</p> <p>(iv) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of directors may dispose of them in such manner as they think most beneficial to the Company.</p> <p>c) Notwithstanding anything contained in the preceding sub-clause (1), the further shares aforesaid may be offered to any persons [whether or not those persons include the persons referred to in clause sub-clause (1)] in any manner whatsoever:-</p> <p>(i) if a special resolution to that effect is passed by the company in general meeting, or</p> <p>(ii) where no such special resolution is passed if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed,</p>
---	--

	<p>by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>d) Nothing in clause (c) above shall be deemed</p> <p>(i) to extend the time within which the offer should be accepted, or</p> <p>(ii) to authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.</p> <p>e) Nothing in this article shall apply - to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued or loans raised by the company –</p> <p>(i) to convert such debentures or loans into shares in the company, or</p> <p>(ii) to subscribe for shares in the company;</p> <p>Provided that the terms of issue of such debentures or the terms of such loans includes a term providing for such option and such term:</p> <p>a) either has been approved by the Central Government before the issue of debentures or the raising of the loans, or is in conformity with the rules 197, if any, made by that Government in this behalf; and</p> <p>b) in the case of debentures or loans other than debentures issued to, or loans obtained from, the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in general meeting before the issue of the debentures or the raising of the loans.</p> <p>Shares at the disposal of the Directors</p> <p>f) Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.</p> <p>Same as Original Capital</p> <p>g) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new shares shall be considered as part of the original Capital and shall be subject to the provisions herein contained with reference to the payment of calls, instalments, transfers, transmission, forfeiture, lien, surrender, voting and otherwise.</p>
--	--

<p>Power to issue of Redeemable Preference Shares</p>	<p>7.</p> <p>a) Subject to the provisions of Section 80 of the Act and subject to the provisions on which any shares may have been issued, the Company may issue preference shares which are or at the option of the Company are liable to be redeemed;</p> <p>Provided that:</p> <p>(i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of redemption;</p> <p>(ii) no such shares shall be redeemed unless they are fully paid;</p> <p>(iii) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share Premium Account before the shares are redeemed.</p> <p>(iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a Reserve Fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up Share Capital of the Company.</p> <p>b) Subject to the provisions of Section 80 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.</p> <p>c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its Authorised Share Capital.</p> <p>d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the Share Capital of the Company shall not, for the purpose of calculating the fees payable under Section 611 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.</p> <p>Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty is deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.</p> <p>e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid up bonus shares.</p>
<p>Provision in case of Redemption of preference shares</p>	<p>8. The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, be giving not less than six month's previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding, by payment</p>

	<p>of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in the case of redemption of part of the preference shares the following provisions shall take effect :</p> <ol style="list-style-type: none"> a) The shares to be redeemed shall be determined by drawing of lots which the Company shall cause to be made at its Registered Office in the presence of one Director at least; and b) Forthwith after every such drawing, the Company shall notify the shareholders whose shares have been drawn for redemption its intention to redeem such shares by payment at the Registered Office of the Company at the time and on the date to be named against surrender of the Certificates in respect of the shares to be so redeemed and at the time and date so notified each such shareholder shall be bound to surrender to the Company the Share Certificates in respect of the Shares to be redeemed and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid, where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.
<p>Reduction of Capital</p>	<p>9. The Company may from time to time by special resolution, subject to confirmation by the Court and subject to the provisions of Sections 78, 80 and 100 to 104 of the Act, reduce its Share Capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law and in particular without prejudice to the generality of the foregoing power may be:</p> <ol style="list-style-type: none"> a) extinguishing or reducing the liability on any of its shares in respect of Share Capital not paid up; b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up Share Capital which is lost or is unrepresented by available assets; or c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up Share Capital which is in excess of the wants of the Company; <p>and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its Share Capital and of its shares accordingly.</p>
<p>Division, Sub-Division, Consolidation, Conversion and Cancellation of Shares</p>	<p>10. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may by an ordinary resolution alter the conditions of its Memorandum as follows, that is to say it may:</p> <ol style="list-style-type: none"> a) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares; b) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the holders of the shares resulting from such sub division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares; c) covert, all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denomination;

	d) Cancel, shares which at the date of such General Meeting have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.
Notice to Register of Consolidation of Share Capital, Conversion of shares into stocks etc.	11. a) If the Company has : (i) consolidated and divided its Share Capital into shares of larger amount than its existing shares; (ii) converted any shares into stock; (iii) reconverted any stock into shares; (iv) sub-divided its share or any of them; (v) redeemed any redeemable preference shares; or (vi) cancelled any shares otherwise than in connection with a reduction of Share Capital under Sections 100 to 104 of the Act, the Company shall within one month after doing so, give notice thereof to the Registrar specifying as the case may be, the shares consolidated, divided, converted, subdivided, redeemed or cancelled or the stocks reconverted. b) The Company shall thereupon request the Registrar to record the notice and make any alterations which may be necessary in the Company's Memorandum or Articles or both.
Modifications of rights	12. If at any time the Share Capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The provisions of these Articles relating to General Meetings shall mutatis mutandis apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Article 102 is not present, those persons who are present shall be quorum.
SHARES AND CERTIFICATES	
Issue of further Shares not to affect right of existing share holders	13. The rights or privileges conferred upon the holders of the shares of any class issued with preference or other rights, shall not unless otherwise be deemed to be varied or modified or affected by the creation or issue of further shares ranking pari passu therewith.
Provisions of Sections 85 to 88 of the Act to apply	14. The provisions of Sections 85 to 88 of the Act in so far as the same may be applicable shall be observed by the Company.
Register of Members and Debenture holders	15. a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Sections 150 and 151 of the Act and Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company may also keep a foreign Register of Members and Debenture holders in accordance with Section 157 of the Act. b) The Company shall also comply with the provisions of Sections 159 and 161 of the Act as to filling of Annual Returns. c) The Company shall duly comply with the provisions of Section 163 of the Act in regard to keeping of the Registers, Indexes, Copies of Annual

	Returns and giving inspection thereof and furnishing copies thereof.
Commencement of Business	16. The Company shall comply with the provisions of Section 149 of the Act.
Restriction on allotment	17. The Board shall observe the restriction as to allotment of shares to the public contained in Sections 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act.
Shares to be numbered progressively and no shares to be subdivided	18. The shares in the Capital shall be numbered progressively according to the several denominations and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
Shares at the disposal of the Directors	19. Subject to the provisions of Section 81 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person the option to call for any shares either at par or at a premium during such time and for such option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
Every share transferable etc.	20. <ul style="list-style-type: none"> (i) The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles. (ii) Each share in the Company shall be distinguished by its appropriate number. (iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.
Application of premium received on issue of shares	21. <ul style="list-style-type: none"> a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "the Share Premium Account" and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the Share Premium Account were paid-up Share Capital of the Company. b) The Share Premium Account may, notwithstanding, anything in clause (a) above, be applied by the Company. <ul style="list-style-type: none"> (i) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares; (ii) in writing off the preliminary expenses of the Company; (iii) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or (iv) in providing for the premium payable on the redemption of any redeemable preference shares or of any debenture of the Company.

Sale of Fractional Shares	22. If and whenever, as the result of issue of new or further shares or any consolidation or subdivision of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
Buy Back of shares	22A. Notwithstanding anything contained in any other Article of the Articles of Association, but subject to the provisions of Section 77 A and 77 B of the Act and Securities & Exchange Board of India (Buy back of Securities) Regulations 1998 as may be in force at any time and from time to time, the Company may acquire, purchase, own, resell any of its own fully/partly paid or redeemable Preference Shares or Equity Shares and any other security as may be specified under the Act, Rules and regulations from time to time and may make payment thereof out of funds at its disposal or in any manner as may be permissible or in respect of such acquisition/purchase on such terms and conditions and at such time or times in one or more instalments as the Board may in its discretion decide and deem fit. Such Shares which are so bought back by the Company may either be extinguished and destroyed or reissued as may be permitted under the Act or the Regulations as may be in force at the relevant time subject to such terms and conditions as may be decided by the Board and subject further to the rules & regulations governing such issue.
Acceptance of shares	23. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a member. The Director shall comply with the provisions of Sections 69, 70, 71, 72 and 73 of the Act in so far as they are applicable.
Deposits and calls etc. to be a debt payable immediately	24. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt, due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Trusts not recognised	25. Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holders of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of Competent jurisdiction or as by law required) be bound to recognise any benami, trust of equity or equitable, contingent, future, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provisions of Section 153 of the Act shall apply.

<p>Issue of Certificates of Shares to be governed by Section 84 of the Act etc.</p>	<p>26.</p> <p>a) The issue of certificates of shares or of duplicate or renewal of certificates of Shares shall be governed by the provisions of Section 84 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or any other law. The Directors may also comply with the provisions of such rules or regulations of any Stock Exchange where the shares of the Company may be listed for the time being.</p> <p>Certificate of Shares</p> <p>b) The Certificate of title to shares shall be issued under the Seal of the Company and shall be signed by such Directors or Officers or other authorised persons as may be prescribed by the Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.</p> <p>c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 84 of the Act.</p>
<p>Limitation of time for issue of certificate</p>	<p>27.</p> <p>a) Every member shall be entitled, without payment, to one or more Certificate in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such Certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide or within two months of the receipt of application of registration of transfer transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors may prescribe or approve provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.</p> <p>b) The Company shall not entertain any application for split of share / debenture certificate for less than 10 (Ten) Equity Shares / 10 (Ten) debentures (all relating to the same series) in market lots as the case may be.</p> <p>Provided however this restriction shall not apply to an application made by the existing members or debenture holders for split of share / debenture certificates with a view to make an odd lot holding into a marketable lot subject to verification by the Company.</p> <p>c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where Shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities Contracts (Regulations) Act, 1956 as may be applicable.</p>

<p>Issue of new Certificate in place of one defaced, lost or destroyed</p>	<p>28. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any Certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under these Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Re. 2/- for each Certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts (Regulations) Act, 1956 or any other Act, or Rules applicable in this behalf.</p> <p>29. The provisions of these Articles shall mutatis mutandis apply to debentures of the Company</p>
<p>UNDERWRITING COMMISSION AND BROKERAGE</p>	
<p>Power to pay certain commission and prohibition of payment of all other commission, discounts etc.</p>	<p>30.</p> <p>A. The Company may pay a commission to any person in consideration of:</p> <p>(i) his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in sub-section (4A) of Section 76 of the Act, or</p> <p>(ii) his procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in or debentures of the Company, if the following conditions are fulfilled, namely:</p> <p>a) the commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued;</p> <p>b) the amount or rate percent of the commission paid or agreed to be paid on shares or debentures offered to the public for subscription, is disclosed in the Prospectus, and in the case of shares or debentures not offered to the public for subscription, is disclosed in the Statement in lieu of Prospectus and filed before the payment of the commission with the Registrar, and where a circular or notice, not being a Prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;</p> <p>c) the number of shares or debentures which such persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid and</p> <p>d) a copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of prospectus for registration.</p> <p>B. Save as aforesaid and save as provided in Section 75 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission,</p>

	<p>discount or allowance, to any person in consideration of:</p> <p>(i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company or;</p> <p>(ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company or the money be paid out of the nominal purchase money or contract price, or otherwise.</p> <p>C. Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.</p> <p>D. A vendor to, promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission, the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.</p> <p>E. The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash, or in shares, debentures or debenture-stocks of the Company.</p>
CALLS	
Directors may make Calls	31. The Directors may from time to time and subject to Section 91 of the Act and subject to the terms on which any shares / debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members / debenture holders in respect of all moneys unpaid on the shares / debentures held by them respectively and such members / debenture holders shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Directors. A Call may be made payable by instalments. A call may be postponed or revoked as the Board may determine. The option or right to call of shares shall not be given to any of the person except with the sanction of the Issuer in general meeting.
Calls to date from resolution	32. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such Call was passed and may be made payable by members / debenture holders on a subsequent day to be specified by the Directors.
Notice of call	33. Thirty days notice in writing shall be given by the Company of every calls made payable otherwise than on allotment specifying the time and place of payment provided that before the time of payment of such call, the Directors may by notice in writing to the members / debenture holders revoke the same.
Directors may extend time	34. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members / debenture holders who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member / debenture holder shall be entitled to such extension, save as a matter of grace and favour.
Sums deemed to be Calls	35. Any sum, which by the terms of issue of a share / debenture becomes payable on allotment or at any fixed date whether on account of the nominal value of the share / debenture or by way of premium, shall for the purposes of these Articles be deemed to be a Call duly made and payable on the date on which by the

	terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a Call duly made and notified.
Installments on shares to be duly paid	36. If by the condition of allotment of any shares the whole or part of the amount of issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.
Calls on shares of the same class to be made on uniform basis	37. Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. Explanation: For the purpose of this provision, shares of the same nominal value on which different amount have been paid up shall not be deemed to fall under the same class.
Liability of joint holders of shares	38. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.
When interest on call or instalment payable	39. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due, shall pay interest as shall be fixed by the Board from the day appointed for the payment thereof or any such extension thereof to time of actual payment but the Directors may waive payment of such interest wholly or in part.
Partial payment not to preclude forfeiture	40. Neither a judgement nor a degree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
Proof on trial of suits for money due on shares	41. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due of the shares in respect of which such money is sought to be recovered, and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member or his representatives, sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry Interest	42. a) The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the money due upon the shares held by him beyond the sum actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such

	<p>advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.</p> <p>b) The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>43. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.</p>
LIEN	
Company's lien on Shares / Debentures	44. The Company shall have first and paramount lien upon all the shares / debentures (other than fully paid up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any shares / debentures shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any on such shares / debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this Clause.
As to enforcing lien by sale	45. For the purpose of enforcing such lien, the Board may sell the shares / debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and / or debentures and may authorize one of their member or appoint any officer or agent to execute a transfer thereof on behalf of and in the name of such member / debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and / or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfilment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
Application of proceeds of sale	46. <p>a) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and / or debentures at the date of the sale.</p> <p>Outsiders lien not to affect Company's lien</p> <p>b) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a Court of Competent jurisdiction or by statute required) be bound to recognise equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.</p>
FORFEITURE	
If call or instalment not paid notice must	47. <p>a) If any member or debenture holder fails to pay the whole or any part of</p>

be given	<p>any call or instalment or any money due in respect of any shares or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment.</p> <p>Form of Notice</p> <p>b) The notice shall name a day not being less than One Month from the date of the notice and a place or places, on and at which such call, or instalment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or instalment or such part or other moneys is or are payable will be liable to be forfeited.</p>
In default of payment shares or debentures to be forfeited	<p>48. If the requirements of any such notice as aforesaid are not complied with any share / debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company, in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actual paid before the forfeiture.</p>
Entry of forfeiture in Register of members/debenture holders	<p>49. When any shares / debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or Debenture Holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.</p>
Forfeited share/debenture to be property of Company and may be sold	<p>50. Any share or debenture so forfeited shall be deemed to be the property of the Company, and may be sold; re-allotted or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.</p>
Power to annual forfeiture	<p>51. The Directors may, at any time, before any share or debenture so forfeited shall have been sold, re-allotted or otherwise disposed of, annual forfeiture thereof upon such conditions as they think fit.</p>
Shareholders or Debenture holders still liable to pay money owing at time of forfeiture and interest	<p>52. Any member or debenture holder whose shares or debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, instalments, interest, expenses and other money owing upon or in respect of such shares or debentures at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but</p>

	shall not be under any obligation to do so.
Effect of forfeiture	53.The forfeiture of a share or debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of those rights as by these Articles are expressly saved.
Certificate of forfeiture	54. A certificate in writing under the hand of one Director and counter signed by the Secretary or any other officer authorised by the Directors for the purpose, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made and that forfeiture of the share or debenture was made by the resolution of Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.
Validity of sales under Articles 45 and 50	55.Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinabove given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of Members or Register of Debenture Holders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of Members or Debenture Holders in respect of such shares or debentures the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be for damages only and against the Company exclusively.
Cancellation of share/debenture Certificate in respect of forfeited shares/debentures	56.Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate/s originally issued in respect of the relative shares or debentures shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member or debenture holder) stand cancelled and become null and void and be of no effect, and the Directors shall be entitled to issue a duplicate certificate/s in respect of the said shares or debentures to the person/s entitled thereto.
Title of purchaser and allottee of forfeited shares / debentures	57.The Company may receive the consideration, if any, given for the share or debenture on any sale, re-allotment or other disposition thereof, and the person to whom such share or debenture is sold, re-allotted or disposed of may be registered as the holder of the share or debenture and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share or debenture be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share or debenture.
Surrender of Shares or Debentures	58. The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.
TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES	
Register of Transfers	59. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
Form of Transfer	60. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Dematerialisation of Securities	60A. (1) The provisions of this Article shall apply notwithstanding anything to the

	<p>contrary contained in any other Article of these Articles.</p> <p>(2)</p> <p>(i) The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>(ii) Option for Investors: Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security.</p> <p>(iii) Securities in Depository to be in fungible form:- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C & 372A of the Act shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</p> <p>(iv) Rights of Depositories & Beneficial Owners:-</p> <p>a) Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>b) Save as otherwise provided in (a) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>c) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>(v) Service of Documents:- Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>(vi) Transfer of Securities:- Nothing contained in Section 108 of the Act, shall apply to a transfer of Securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>(vii) Allotment of Securities dealt with in a depository:- Notwithstanding anything contained in the Act, where Securities are</p>
--	--

	<p>dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>(viii) Register and Index of Members:- The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 150 and 151 and other applicable provisions of the Act and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>
<p>Instrument of transfer to be executed by transferor and transferee</p>	<p>61. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.</p>
<p>Directors may refuse to register transfer</p>	<p>62.</p> <p>a) Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion any by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either; alone or jointly with any account whatsoever except when the company has lien the shares. Transfer of shares/debentures in whatever lot shall not be refused.</p> <p>b) Nothing in Sections 108, 109 and 110 of the Act shall prejudice this power to refuse to register the transfer of or the transmission on legal documents by operation of law of the rights to, any shares or interest of a member in, any shares or debentures of the Company.</p>

Transfer of Shares

63.

- a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (d) of this Article, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.
- c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to the Company along with the certificate relating to the shares and if no such certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.
- d) Nothing in clause (c) above shall prejudice any power of the Company to register as share holder any person to whom the right to any share has been transmitted by operation of law.
- e) The Company shall accept all applications for transfer of shares/ debentures; however, this condition shall not apply to requests received by the Company.
 - A. for splitting of a share or debenture certificate into several scripts of very small denominations;
 - B. proposals for transfer of shares / debentures comprised in a share / debenture certificate to several parties involving, splitting of a share / debenture certificate into small denominations and that such split / transfer appears to be unreasonable or without any genuine need.
 - (i) transfer of equity shares / debentures made in pursuance of any statutory provisions or an order of a Competent Court of law;
 - (ii) the transfer of the entire equity shares / debentures by an existing shareholder / debenture holder of the Company holding under one folio less than 10 (ten) Equity Shares or 10 (ten) Debentures (all relating to the same series) less than in market lots by a single transfer to a single or joint transferee.
 - (iii) the transfer of not less than 10 (ten) Equity shares or 10 (ten) Debentures (all relating to the same series) in favour of the same transferee(s) under two or more transfer deeds, out of which one or more relate(s) to the transfer of less than 10 (ten) Equity Shares / 10 (ten) debentures.

	<p>(iv) the transfer of less than 10 (ten) Equity Shares or 10 (ten) Debentures (all relating to the same series) to the existing share holder / debenture holder subject to verification by the Company.</p> <p>Provided that the Board may in its absolute discretion waive the aforesaid conditions in a fit and proper case(s) and the decision of the Board shall be final in such case(s).</p> <p>Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.</p>
Custody of Instrument of transfer	64. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
Transfer books and Register of members when closed	65. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.
Transfer to Minors etc.	66. Only fully paid shares or debentures shall be transferred to a minor acting through his / her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.
Title to shares of deceased holder	67. The executors or administrators of a deceased member (not being one or two or more joint holders) or the holder of a deceased member (not being one or two or more joint holders) shall be the only persons whom the Company will be bound to recognise as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or the legal representatives unless they shall have first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary under Article 70 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.
Registration of persons entitled to share otherwise than by transfer	68. <p>a) Subject to the provisions of Articles 67 and 77(d), any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.</p> <p>b) A transfer of the shares or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal</p>

representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Nomination

- c) (1) Every Shareholder or Debenture holder or Deposit holder of the Company, may at any time, nominate a person to whom his Shares or Debentures or Deposit shall vest in the event of his death in such manner as may be prescribed under the Act.
- (2) Where the Shares or Debentures or Deposits of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the Shares or Debentures or Deposits as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under Section 58A (11) and 109A of the Act.
- (3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the Shares or Debentures or Deposits, the nominee shall, on the death of the Shareholder or Debenture holder or Deposit holder, as the case may be on the death of the joint holders become entitled to all the rights in such Shares or Debentures or Deposits as the case may be, all the joint holders, in relation to such Shares or Debentures or Deposits, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.
- (4) Where the nominee is a minor, it shall be lawful for the holder of the Shares or Debentures or Deposits, to make the nomination to appoint any person to become entitled to Share in, or Debentures or Deposits of, the Company, in the manner prescribed under the Act, in the event of his death, during the minority.

Transmission of Shares or Debentures

- d) (1) A nominee, upon production of such evidence as may be required by the Board and subject to provisions of Section 109B of the Act and as hereinafter provided, elect, either –
- (a) to register himself as holder of the Share or Debenture, as the case may be; or
- (b) to make such transfer of the Share or Debenture, as the deceased Shareholder or Debenture holder, as the case may be, could have made.
- (2) if the nominee elects to be registered as holder of the Share or Debenture himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Shareholder or Debenture holder, as the case may be.
- (3) a nominee shall be entitled to the share dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the Company.
- Provided further that Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share or Debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share or Debenture, until the requirements of the notice have been complied with.

Claimant to be entitled to same advantage	69. The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board may thereafter withhold payment of all dividends, interest, bonuses or other moneys payable in respect of the share unit the requirements of the notice have been complied with.
Persons entitled may receive dividend without being registered as member	70. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share / debenture. 71. Article 70 shall not prejudice the provisions of Articles 44 and 55.
Refusal to register nominee	72. The Directors shall have the same right to refuse on legal ground to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Directors may require evidence of transmission	73. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
No Fees on transfer or transmission	74. No fees shall be charged for registration of transfer transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death of Marriage, Power of Attorney or similar other document.
The Company not liable for disregard of a notice prohibiting registration of transfer	75. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit. 76. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law, of debentures of the Company.
JOINT HOLDERS	
Joint Holders	77. Where two or more persons are registered as the holders of any shares / debentures, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles. No transfer to more than four persons as joint holders a) The joint holders of any share / debenture shall be liable severally four persons as the holders of any share / debentures.

	<p>Transfer by joint holders</p> <p>b) In the case of a transfer of shares / debentures held by joint holders, the transfer will be effective only if it is made by all the joint holders.</p> <p>Liability of joint holders</p> <p>c) The joint holders of any share / debenture shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share / debenture.</p> <p>Death of one or more joint holders</p> <p>d) On the death of any one or more of such joint holders the survivor / survivors shall be the only person or persons recognised by the Company as having any title to the share / debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares / debentures held by him jointly with any other person.</p> <p>Receipt of one sufficient</p> <p>e) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share / debenture.</p> <p>Delivery of certificate and giving notices to first named holder</p> <p>f) Only the person whose name stands first in the Register of Members / debenture holders as one of the joint holders of any shares / debentures shall be entitled to the delivery of the certificate relating to such share/debenture or to receive notice which expression shall be deemed to include all documents as defined in Article (2)(a) hereof and any document served on or sent to such person shall be deemed service on all the joint holders.</p> <p>Vote of Joint Holders</p> <p>g) (i) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by Attorney or by proxy although the name of such joint holder present by an Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.</p> <p>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands shall for the purpose of this clause be deemed joint holders.</p>
BORROWING POWERS	
Restriction on powers of the Board	<p>78. The Board of Directors shall not, except with the consent of the Company in General Meeting and subject to Article 172 of the Articles of Association of the Company :</p> <p>a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking.</p> <p>b) remit, or give time for the repayment of any debt due by a Director.</p> <p>c) invest, otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition alter the commencement of this Act, of any such undertaking as is referred to in</p>

	<p>clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.</p> <p>d) borrow monies where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.</p> <p>e) contribute, to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent, of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial year immediately preceding, whichever is greater.</p> <p>Explanation: Every resolution passed by the Company in General Meeting in relation to the exercise of the power referred to in clause (d) or in clause (e) shall specify the total amount upto which money may be borrowed by the Board of Directors under clause (d) or as the case may be, the total amount which may be contributed to charitable and other funds in any financial year under clause (e).</p>
Conditions on which money may be borrowed	79.The Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable, debenture or debenture stocks or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled Capital for the time being.
Bonds, debentures etc. to be subject to the control of Directors	80. Any bonds, debentures, debenture stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being\ for the benefit of the Company. Provided that bonds, debentures, debenture stocks or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution.
Securities may be assignable free from equities	81. Debentures, debenture stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Issue at discount etc. or with special privileges	82.Any bonds, debenture stocks, or other securities may be issued, subject to the provisions of the Act, at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, appointment of Directors and otherwise and subject to the following : Debentures with voting rights not to be issued <ol style="list-style-type: none"> The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business. The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act. Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act. Certain charges mentioned in Section 125 of the Act shall be void against the liquidators or creditors unless registered as provided in section 125 of the Act.

	<p>e) The term 'charge' shall include mortgage in these Articles.</p> <p>f) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree for specific performance.</p> <p>Limitation of time for issue of Certificate</p> <p>g) The Company shall, within three months after the allotment of any of its debentures or debenture stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and have ready for delivery the Certificate of all the debentures and the Certificates of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture stocks otherwise provide.</p> <p>The expression 'transfer' for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.</p> <p>Right to obtain copies of the inspect Trust Deed</p> <p>a) (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment.</p> <p>(1) In the case of a printed Trust Deed of the sum of Rupee One and</p> <p>(2) In the case of a Trust Deed which has not been printed of thirty seven paise for every one hundred words or fractional part thereof required to be copied.</p> <p>(ii) The Trust Deed referred to in item (i) above shall also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the Register of Members of the Company.</p>
Mortgage of uncalled Capital	83.If any uncalled Capital of the Company is included in or charged by any mortgage or other security the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled Capital in trust for the person in whose favour such mortgage or security is executed.
Indemnity may be given	84.If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
Registration of charges	85. <p>a) The provisions of the Act relating to registration of charges shall be complied with.</p> <p>b) In the case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 125 of the Act shall also be complied with.</p> <p>c) Where a charge is created in India but comprises property outside India, the instrument creating or purporting to create the charge under Section 125 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 125 of the Act.</p>

	<p>d) Where any charge on any property of the Company required to be registered under Section 125 of the Act has been so registered any persons acquiring such property or any part thereof or any share as interest therein shall be deemed to have notice of the charge as from the date of such registration.</p> <p>e) In respect of registration of charges on properties acquired subject to charge, the provisions of Section 127 of the Act shall be complied with.</p> <p>f) The Company shall comply with the provisions of Section 128 of the Act relating to particulars in case of series of debentures entitling holders <i>pari passu</i>.</p> <p>g) The Company shall comply with the provisions of Section 129 of the Act in regard to registration of particulars of commission, allowance or discount paid or made, directly or indirectly, in connection with the debentures.</p> <p>h) The Provisions of Section 133 of the Act as to endorsement of Certificate of registration on debenture or Certificate of debenture stock shall be complied with by the Company.</p> <p>i) The Company shall comply with the provisions of Section 134 of the Act as regards registration of particulars of every charge and of every series of debentures.</p> <p>j) As to modification of charges, the Company shall comply with the provisions of Section 135 of the Act.</p> <p>k) The Company shall comply with the provisions of Section 136 of the Act regarding keeping a copy of instrument creating charge at the registered office of the Company and comply with the provisions of Section 137 of the Act in regard to entering in the register of charges any appointment of Receiver or Managers as therein provided.</p> <p>l) The Company shall also comply with the provisions of section 138 of the Act as to reporting satisfaction of any charge and procedure thereafter.</p> <p>m) The Company shall keep at its registered office a Register of charges and enter therein all charges specifically affecting any property of the Company and all floating charges on the undertaking or on any property of the company giving in each case :</p> <p>(i) a short description of the property charged;</p> <p>(ii) the amount of the charge; and</p> <p>(iii) except in the case of securities to bearer, the names of persons entitled to the charge.</p> <p>n) Any creditor or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of charges in accordance with and subject to the provisions of Section 144 of the Act.</p>
Trust not Recognised	86. No notice of any trust, express or implied or constructive, shall be entered on the Register of Debenture holders.
SHARE WARRANTS	
Power to issue share warrants	87. The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 115 and accordingly, the Board may, in its discretion, with respect to any share which is fully paid upon application in writing signed by the persons registered as holder of the share and authenticated by such evidence (if any) as the Board may from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the board may from time to time require issue a share warrant.

Deposit of share warrant	88. The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of the member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of Members as the holder of the share included in the deposited warrant. a) Not more than one person shall be recognised as depositor of the share warrant. b) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.
Privileges and disabilities of the holders of share warrant	89. a) Subject as herein otherwise expressly provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any of privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company. b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant, and he shall be a member of the Company.
Issue of new share warrant or coupon	90. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
CONVERSION OF SHARES INTO STOCK AND RECONVERSION	
Shares may be converted into stock	91. The Company in general meeting may convert any paid up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein or any part of such interests, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid up shares of any denomination.
Rights of stock holders	92. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the dividends and profit of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privileges or advantages.
GENERAL MEETINGS	
Annual General Meeting	93. Subject to the provisions contained in Sections 166 and 210 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the Notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that if the Registrar for any special reason extends the time within which any annual general meeting shall be held, then such annual general meeting may be held within such extended period. Summary of annual General Meeting The Company may in any one general meeting fix the place for its any annual general meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor. At every annual general meeting of the Company,

	there shall be laid on the table, the Director's Report the audited statements of accounts and auditor's report (if any, not already incorporated in the audited statement of accounts). The proxy registered with the Company and Register of Director's Share holdings of which latter register shall remain open and accessible during the continuance of the meeting. The Board shall cause to prepare the Annual list of members, summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.
Time and place of Annual General Meeting	94. Every annual general meeting shall be called at any time during business hours, on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate, and the notice calling the meeting shall specify it as the annual general meeting.
Sections 171 to 186 of the Act shall apply to meetings.	95. Sections 171 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed shall apply with respect to meetings of any class of members or debenture holders of the Company in like manner as they apply with respect to general meetings of the Company.
Powers of Director's to call Extraordinary General Meeting	96. The Directors may call an extraordinary general meeting of the Company whenever they think fit.
Calling of Extra Ordinary General Meeting on requisition	97. <ul style="list-style-type: none"> a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extraordinary general meeting of the Company. b) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the registered office of the Company. The requisition may consist of several documents in like form, each signed by one or more requisitionists. c) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter. d) Where two or more distinct matters are specified in the requisition the provisions of clause (d) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled. e) If the Board does not, within twenty one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called: <ul style="list-style-type: none"> (i) by the requisitionists themselves; (ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of such of the paid-up share capital of the Company as is referred to in clause (d) above, whichever is less. <p>Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by subsection 189 of the Act.</p>

	<p>f) A meeting, called under clause (f) above, by the requisitionists or any of them:</p> <p>(i) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board; but</p> <p>(ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.</p> <p>Explanation: Nothing in clause (g) (ii) above, shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.</p> <p>g) Where two or more persons hold any shares or interest in the Company jointly, a requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.</p> <p>h) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
<p>Length of notice for calling meeting</p>	<p>98.</p> <p>a) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing.</p> <p>b) A general meeting of the Company may be called after giving shorter notice than that specified in clause (a) above, if consent is accorded thereto;</p> <p>(i) in the case of an annual general meeting by all the members entitled to vote thereat; and</p> <p>(ii) in the case of any other meeting, by members of the Company holding not less than 95 (ninety five) per cent of such part of the paid up capital of the Company as gives a right to vote at the meeting;</p> <p>Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>
<p>Contents and manner of service of notice and persons on whom it is to be served</p>	<p>99.</p> <p>a) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.</p> <p>b) Notice of every meeting of the Company shall be given :</p> <p>(i) to every member of the Company, in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act;</p> <p>(ii) to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;</p> <p>(iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of any member of members of the Company and</p>

	<p>(iv) to all the Directors of the Company</p> <p>Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.</p> <p>c) The accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.</p>
Explanatory statement to be annexed to notice	<p>100.</p> <p>A. For the purpose of this Article:</p> <p>(i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to</p> <p>a) the consideration of the accounts, balance sheet and the reports of the Board of Directors and auditors.</p> <p>b) the declaration of a dividend;</p> <p>c) the appointment of Directors in the place of those retiring, and</p> <p>d) the appoint of and the fixing of the remuneration of the auditors, and</p> <p>(ii) in the case of any other meetings, all business shall be deemed special.</p> <p>B. Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern or interest, if any, therein of every Director, and the manager, if any.</p> <p>Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates, to or affects, any other Company, the extent of shareholding interest in that other Company of any such person shall be set out in the circumstances specified in the proviso to sub-section (2) of Section 173 of the Act.</p> <p>C. Where any item of business consist of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.</p>
Quorum for meeting	<p>101.</p> <p>a) Five members personally present shall be the quorum for a general meeting of the company.</p> <p>If quorum not present meeting to be dissolved or adjourned</p> <p>b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand dissolved.</p> <p>(ii) In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place, as the Board may determine.</p> <p>Adjourned meeting to transact business</p> <p>c) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.</p>
Presence of quorum	<p>102.</p> <p>a) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.</p>

	<p>Business confined to election of chairman whilst chair vacant</p> <p>b) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant</p> <p>Chairman of the general meeting</p> <p>c) (i) The chairman of the Board of Directors shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of themselves to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Directors present be willing to take the chair, the members present shall choose one of the themselves to be the Chairman.</p> <p>(ii) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman or Vice Chairman of the Board or by a Director at the expiration of 15 (fifteen) minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.</p> <p>Chairman with consent may adjourn the meeting</p> <p>d) The Chairman with the consent of the meeting may adjourn any meeting from time to time and place to place in the city, town or village where the registered office of the Company is situate.</p> <p>Business at adjourned meeting</p> <p>e) No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.</p> <p>Notice of adjourned meeting</p> <p>f) When a meeting is adjourned only for thirty days or more, notice of the adjourned meeting shall be given as in the case of original meeting.</p> <p>In what case poll taken with or without adjournment</p> <p>g) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith, save as aforesaid, any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.</p>
<p>Proxies</p>	<p>103.</p> <p>a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in the case of joint holders all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting.</p> <p>Provided that unless where the proxy is appointed by a body corporate a proxy shall not be entitled to vote except on a poll.</p> <p>b) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.</p> <p>c) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty eight) hours before the meeting in order that the appointment may be effective thereat.</p> <p>d) The instrument appointing a proxy shall:</p>

	<p>(i) be in writing, and</p> <p>(ii) be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.</p> <p>Form of proxy</p> <p>e) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in usual common form.</p> <p>f) An instrument appointing a proxy, if in any of the forms set out in Schedule IX to the Act shall not be questioned on the ground that it fails to comply with any special requirements specified for such instrument by these Articles.</p> <p>g) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.</p>
VOTES OF MEMBERS	
Restrictions on exercise of voting rights of members who have not paid calls	<p>104.</p> <p>a) No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.</p> <p>b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 187 B of the Act.</p>
Restriction on exercise of voting right in other cases to be void	<p>105. A member is not prohibited for exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 104.</p>
Equal rights of share holders	<p>106. Any shareholder whose name is entered in the Register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.</p>
Voting to be by show of hands in first instance	<p>107. At any general meeting a resolution put to vote at the meeting shall unless a poll is demanded under Section 179 of the Act be decided on a show of hands.</p> <p>108.</p> <p>a) Subject to the provisions of the Act, upon show of hands every member entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him.</p> <p>No voting by proxy on show of hands</p> <p>b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under Sections 187 or 187A of the Act, in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.</p> <p>How members non compos minutes and minor may vote</p> <p>c) A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or any one of his guardians, if more than one, to be selected in case of dispute</p>

	<p>by the Chairman of the meeting.</p> <p>Votes in respect of shares of deceased or insolvent members etc.</p> <p>d) Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.</p> <p>Custody of Instrument</p> <p>e) If any such instrument of appointment be confined to the object of appointing proxy or substitute for voting at meetings of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.</p> <p>Validity of votes given by proxy notwithstanding death of members etc.</p> <p>f) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the meeting.</p> <p>Time for objections for vote</p> <p>g) No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purpose of such meeting or poll whatsoever.</p> <p>Chairman of any meeting to be the judge of any vote</p> <p>h) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.</p>
Chairman's declaration of result of voting by show of hands to be conclusive	109. A declaration by the Chairman in pursuance of Section 177 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
Demand for poll	110. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. <p>a) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>
Time of taking poll	111. <p>a) A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>b) A poll demanded on any other question (not being a question relating to the</p>

	election of a Chairman which is provided for in Section 175 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.
Right of a member to use his votes differently	112. On a poll taken at a meeting of the Company a member or other person entitled to vote for him as the case may be, need not, if he votes, use, all his votes or cast in the same way all the votes he uses.
Scrutineers at poll	113. a) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. b) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause. c) Of the two scrutineers appointed under this article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.
Manner of taking poll and result thereof	114. a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken. b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
Casting Vote	115. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
Representation of Body Corporate	116. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 187 of the Act authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.
Representation of the President of India or Governors	117. a) The President of India or the Governor of a State if he is a member of the Company may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 187A of the Act or any other statutory provision governing the same. b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the President or as the case may be the Governor could exercise, as a member of the Company. c) Public Trustee: The Company shall observe the provisions of Section 187B of the Act, in regard to the Public Trustee.
Circulation of member's resolution	118. The Company shall comply with provisions of Section 188 of the Act, relating to circulation of member's resolution.
Resolution requiring special notice	119. The Company shall comply with provisions of Section 190 of the Act relating to resolution requiring special notice.
Resolutions passed at adjourned meeting	120. The provisions of Section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of resolutions and agreements	121.The Company shall comply with the provisions of Section 192 of the Act relating to registration of certain resolutions and agreements.
Minutes of proceedings of general meeting and of Board and other meetings	<p>122.</p> <p>a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :</p> <p>(i) in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(ii) in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>(i) the names of the Directors present at the meetings, and</p> <p>(ii) in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>g) Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>(i) is or could reasonably be regarded, as defamatory of any person</p> <p>(ii) is irrelevant or immaterial to the proceedings; or</p> <p>(iii) in detrimental to the interests of the Company.</p> <p>The Chairman shall exercise an absolute discretion in regard to the inclusion or non inclusion of any matter in the minutes on the grounds specified in this clause.</p> <p>Minutes to be considered to be evidence</p> <p>h) The minutes of meetings kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p>
Presumptions to be drawn where minutes duly drawn and signed	123.Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 193 of the Act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.
Inspection of Minutes Books of General Meetings	124.The books containing the minutes of the proceedings of any general meeting of the Company shall;

	<p>without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</p> <p>a) any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of thirty seven paise for every one hundred words or fractional part thereof required to be copied.</p>
Publication of reports of proceeding of general meetings	125.No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.
MANAGERIAL PERSONNEL	
Managerial Personnel	126.The Company shall duly observe the provisions of Section 197A of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.
BOARD OF DIRECTORS	
Board of Directors	<p>127.Unless otherwise determined by the Company in General Meeting the number of Directors shall not be less than three and not more than twelve. The First Director of the Company shall be:</p> <p>Appointment of senior Executives as Whole-time Directors</p> <p>a) Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any Senior Executive of the Company as a Whole-time Director of the Company for such period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>(i) He shall be liable to retire by rotation as provided in the Act but shall be eligible for reappointment. His reappointment as a Director shall not constitute a break in his appointment as Whole-time Director.</p> <p>(ii) He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation.</p> <p>(iii) He shall cease to be a Director of the Company on the happening of any event specified in Section 283 and 314(2C) of the Act. He shall cease to be a Director of the Company, if for any reason whatsoever he ceases to hold the position of Senior Executive in the Company or ceases to be in the employment of the Company.</p> <p>(iv) Subject to what is stated herein above he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by the Managing Director/s and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and/or stipulations as the Managing Director/s and / or the Board may, from time to time determine.</p> <p>b) Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any of such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole-time directors.</p>
Debenture Directors	129.Any Trust Deed for securing debentures or debenture stocks, may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks, of some person or persons to be a Director or Directors of the Company and may empower such Trustees or holders of debentures or debenture stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this

	<p>Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.</p>
<p>Nominee Director</p>	<p>130. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as “the Corporation”) continue to hold debentures in the Company as a result of underwriting or by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole-time or non-whole-time (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.</p> <p>The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and</p>

	<p>expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.</p> <p>Provided that if any such Nominee Director/s is an Officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>Provided further that if such Nominee Director/s is an officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.</p> <p>Provided also that in the event of the Nominee Director/s being appointed as Whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.</p>
<p>Special Directors</p>	<p>131.</p> <ol style="list-style-type: none"> a) In connection with any collaboration arrangement with any Company or Corporation or firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorise such Company, Corporation, firm or person (hereinafter in this clause referred to as “Collaborator”) to appoint from time to time any person or persons as Director or Directors of the Company (hereinafter referred to as “Special Director”) and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agree upon between the Company and such Collaborator under the collaboration arrangements or at any time thereafter. b) The collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by the such company or corporation or any partner or such person and shall be delivered to the Company at its registered office. c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Directors as the Collaborators eligible to make appointment. <p>132. Subject to the provisions of Section 255 of the Act, the number of Directors appointed under Articles 130 and 131 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.</p>

<p>Appointment of Alternate Director</p>	<p>133.</p> <ol style="list-style-type: none"> a) The Board of Directors of the Company may appoint an alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from the State in which meeting of the Board are ordinarily held. b) An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State in which meeting of the Board are ordinarily held. c) If the term of office of the Original Director is determined before he returns to the State aforesaid any provision for the automatic reappointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director.
<p>Appointment of Additional Directors</p>	<p>134. Subject to the provisions of Section 260 of the Act, the Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by these Articles. Any Director so appointed shall hold the office only upto the next annual general meeting of the Company and shall then be eligible for re-appointment.</p>
<p>Appointment of Director to fill the casual vacancy</p>	<p>135.</p> <ol style="list-style-type: none"> a) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election. <p>Individual Resolution for Directors appointment</p> <ol style="list-style-type: none"> b) At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this Article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automatic reappointment of retiring directors by virtue of these Articles and the Act in default of another appointment shall apply.
<p>Appointment of Chairman</p>	<p>136. The Directors may from time to time elect among themselves a chairman of the Board and determine the period for which he is to hold office if at any meeting of the Board, the chairman is not present within fifteen minutes after the time appointed for holding the same, the directors present may choose one of their members to be chairman of the meeting.</p>
<p>Appointment of Chairman Emeritus</p>	<p>137.</p> <ol style="list-style-type: none"> 1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company. 2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the shareholders in a general meeting.

	<p>3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.</p> <p>4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made thereunder or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.</p> <p>5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.</p> <p>6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus.</p>
Qualification of Director	138. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.
Remuneration of Directors	<p>139.</p> <p>a) Subject to the provisions of the Act, a Managing Director or a Director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.</p> <p>b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either :</p> <p>(i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or</p> <p>(ii) by way of commission if the Company by a special resolution has authorised such payment.</p> <p>c) The fee payable to Directors (other than Managing or Whole-time Director, if any) for attending each meeting of the Board or Committee thereof shall be such sum as may prescribed by the Act or the Central Government from time to time.</p>
Travelling and other expenses	140. The Board may allow and pay to any Director for the purpose of attending a meeting such sum either as fixed allowance and/or actual as the Board may consider fair compensation for travelling, board and lodging and incidental and/or such actual out of pocket expenses incurred by such Director in addition to his fees, for attending such meeting to and from the place at which the meetings of the Board or Committees thereof or general meetings of the Company are held from time to time or any other place at which the Director executes his duties.
Remuneration for extra services	141. If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company and in that event the Company may, subject to the provision of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under Section 309 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.
Increase in remuneration of Directors to require Government sanction	<p>142.</p> <p>a) Any provision relating to the remuneration of any Director including a Managing or Joint Managing or Whole-time Director or any amendment thereof, which purports to increase or has the effect of increasing, whether directly or indirectly, the amount thereof, whether that provision is contained in the Company's Memorandum or there Articles, or in an agreement entered into by it, or any resolution, passed by the Company in general meeting or by the Board of Directors, shall not have any effect</p>

	<p>unless approved by the Central Government and the amendment shall become void if, and in so far as, it is disapproved by the Government.</p> <p>Increase in remuneration of Managing Director on reappointment or appointment</p> <p>b) If the terms of any re-appointment of a Managing or Joint Managing or Whole-time Director, purport to increase or have the effect of increasing, whether directly or indirectly, the remuneration which the Managing or Joint Managing or Whole-time Director, as the case may be was receiving immediately before such reappointment or appointment shall not have any effect unless approved by the Central Government, and shall become void if, and in so far as, it is disapproved by the Government.</p>
Directors not to act when number falls below minimum	143. When the number of Directors in Office falls below the minimum above fixed, the Directors, shall not act except in emergencies or for the purpose of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.
Eligibility	144. A Person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 274 of the Act.
Directors vacating office	<p>145.</p> <p>a) The Office of a Director shall become vacant if :</p> <p>(i) he is found to be of unsound mind by a Court of competent jurisdiction.</p> <p>(ii) he applied to be adjudicated an insolvent;</p> <p>(iii) he is adjudged an insolvent;</p> <p>(iv) he is convicted by a Court, of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;</p> <p>(v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;</p> <p>(vi) he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;</p> <p>(vii) he, whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act;</p> <p>(viii) he acts in contravention of Section 299 of the Act;</p> <p>(ix) he becomes disqualified by an order of court under Section 203 of the Act;</p> <p>(x) he is removed in pursuance of Section 284 of the Act;</p> <p>(xi) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</p> <p>(xii) he resigns his office by notice in writing given to the Company.</p> <p>b) Notwithstanding anything in sub-clauses (iii), (iv) and (v) of clause (a) above, the disqualifications referred to in these sub-clauses shall not taken effect;</p> <p>(i) for thirty days from the date of the adjudication, sentence or order;</p>

	<ul style="list-style-type: none"> (ii) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off, or (iii) where within the seven days aforesaid, any further appeal, or petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.
Removal of Directors	<p>146.</p> <ul style="list-style-type: none"> a) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or special directors or debenture directors or a nominee director or a director appointed by the Central Government in pursuance of Section 408 of the Act, before the expiry of his period of office. b) Special notice as provided by Section 190 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed. c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a Copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting. d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company the Company shall unless the representations are received by it too late for it do so. <ul style="list-style-type: none"> (i) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and (ii) send a copy of the representation to every member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representations by the Company) and if a copy of the representations, is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court. e) A vacancy created by the removal of a Director under this Article may, if he had been appointed in pursuance of Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which h-is predecessor would have held office if he had not been removed as aforesaid. f) If the vacancy is not filled under clause (a), it may be filled as usual vacancy in accordance with the provisions, in so far as they may be applicable, if Section 262 of the Act, and all the provisions of that Section shall apply accordingly;

	<p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>g) Nothing contained in this Article shall be taken:</p> <p>(i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
Directors may contract with the Company	<p>147.</p> <p>a) Subject to the restrictions imposed by these Articles and by Sections 292, 293, 294, 295, 297, 300, 311, 370 and 373 and any other provisions of the Act, no Director, Managing Director, or other Officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, Managing Director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall the Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director, Managing Director, Officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with the provisions of Section 299 of the Act where that section be applicable.</p> <p>b) In accordance with Section 300 of the Act, no Director shall, as a Director, vote or take part in any discussion in respect of any contract or arrangement in which he is interested and if he does so vote, his vote shall be void nor shall his presence count for the purpose of forming the quorum at the time of any such discussion or vote.</p> <p>c) Provided that the above prohibition or restriction shall not apply to the extent or under the circumstances mentioned in sub-section (2) of Section 300 of the Act.</p> <p>d) A general notice such as is referred to in sub-section (3) of Section 299 of the Act shall be sufficient disclosure under this Article as provided in that Section.</p>
Directors may be directors of companies promoted by the company	<p>148. A Director, Managing Director, Officer or employee of the Company may be, or become a director, of any Company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no such director shall be accountable for any benefits received as director or member of such company except to the extend and under the circumstances as may be provided in the Act.</p>
Duty of Directors etc. to make disclosure	<p>149.</p> <p>a) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company, who is appointed to or relinquishes the office of Director, Managing Director, Manager or Secretary of any other body corporate shall, within twenty days of his appointment or relinquishment of such office, as the case may be, disclose to the Company aforesaid the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.</p>

	<p>b) Every Director of the Company and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act and every other person referred to in sub-section (11) of Section 307 of the Act, shall give notice to the Company of such matters as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section and Section 308 of the Act.</p>
Directors etc. not to hold office or place of profit	150. The provisions of Section 314 of the Act shall be complied with when applicable in regard to holding of office or place of profit under the Company or under any subsidiary of the Company by any person mentioned in the said section. The words office or place of profit shall have the meaning assigned to them by Section 314 of the Act.
Loans to Directors	151. The Company shall observe the restrictions imposed on the Company in regard to granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any of the Act.
Appointment of Sole Selling Agents	152. <p>a) The appointment, re-appointment and extension of the term of a Sole Selling Agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any rules or Notifications issued by competent authority in accordance with that section and the Directors and/or the Company in General Meeting may make the appointment, reappointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such Rules or Notification, if any as may be applicable.</p> <p>b) The payment of any compensation to a Sole Selling Agent shall be subject to the provisions under Section 294A of the Act.</p>
Board resolution at a meeting necessary for certain contract	153. <p>a) Except with the consent of the Board of Directors of the Company and with the previous approval of the Central Government a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company;</p> <p>(i) for the sale, purchase or supply of any goods materials or services, or</p> <p>(ii) for underwriting the subscription of any shares in, or debentures of the Company.</p> <p>b) Nothing contained in the foregoing sub-clause (a) shall affect:</p> <p>(i) the purchase of goods and materials from the Company or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) (any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase, or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business:</p> <p>Provided that such contract or contacts do not relate to goods and materials the value of which, or service cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>c) Notwithstanding anything contained in the foregoing sub-clause (a) and (b) a Director, relative, firm, partner of private company as aforesaid, may in</p>

	<p>circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods, materials or services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which contract was entered into.</p> <p>d) Every consent of the Board required under this clause shall be accorded by a resolution passed at a meeting of the Board and not otherwise; and the consent of the Board required under sub-clause (a) above shall not be deemed to have been given within the meaning of that sub-clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.</p> <p>e) If consent is not accorded to any contract under this clause, anything done in pursuance of the contract shall be voidable at the option of the Board.</p> <p>f) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p> <p>g) The Company shall also comply with such other provision of Section 297 of the Act, as may be applicable.</p>
ROTATION OF DIRECTORS	
Rotation of Directors	<p>154. Not less than two thirds of the total number of Directors shall</p> <p>a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and</p> <p>b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.</p> <p>The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.</p>
Ascertainment of Directors retiring by rotation and filling up vacancies	<p>155.</p> <p>a) At every annual general meeting one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearer to one-third, shall retire from office.</p> <p>b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.</p> <p>c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.</p> <p>d) (i) If the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. (ii) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless</p> <ol style="list-style-type: none"> 1) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost; 2) the retiring Director has, by a notice, in writing addressed to the

	<p>Company or its Board of Directors, expressed his unwillingness to be so re-appointed;</p> <p>3) he is not qualified or is disqualified for appointment;</p> <p>4) a resolution, whether special or ordinary, is required for his appointment or reappointment in virtue of any provisions of the Act; or</p> <p>e) The proviso to sub-section (2) of Section 263 of the Act is applicable to the case.</p> <p>Explanation: In this Article and Article 156 the expression "Retiring Director" means Director retiring by rotation.</p>
Right of persons other than retiring Directors to stand for Directorship	<p>156.</p> <p>a) A person who is not a retiring Director shall, in accordance with Section 257 of the Act and subject to the provisions of the Act, be eligible for appointment to the office of Director at any general meeting if he or some member or members intending to propose him has, not less than fourteen days before the meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member or members to propose him as a candidate for that office, as the case may be along with a deposit of such sum as may be prescribed by the Act, or the Central Government from time to time which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.</p> <p>b) The Company shall inform its members of the candidature of a person for the office of director or the intention of a member(s) to propose a person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting in the manner provided under Section 257 of the Act.</p>
Consent of candidate for Directorship to be filed with the Registrar	<p>157. Every person who is proposed as a candidate for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 264 of the Act in so far as they may be applicable.</p>
PROCEEDINGS OF DIRECTORS	
Meeting of Directors	<p>158. The directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meetings of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum.</p>
When meeting to be convened	<p>159. Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.</p>
Directors entitled to notice	<p>160. Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.</p>
Question at Board meeting how decided	<p>161. Question arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.</p>
Who to preside at meetings of the Board	<p>162.</p> <p>a) The Directors may elect a Chairman of their meeting and determine the period for which he is to hold office. The Directors may also appoint a Vice Chairman of the Board of Directors to preside at the meetings of the Board of Directors at which the Chairman shall not be present and determine the period for which he is to hold office.</p> <p>b) All the meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman be not present at</p>

	the time appointed for holding the same, the Vice Chairman, if present, shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.
Quorum at Board Meeting	163. a) The quorum at a meeting of the Directors shall be as prescribed by Section 287 of the Act. b) Quorum competent to exercise power A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations or the Articles of the Company for the time being vested in or exercisable by the Directors generally. c) Procedure in case of want of quorum If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a Public Holiday, till the next succeeding day which is not a public holiday, at the same time and place.
Directors may appoint committee	164. Subject to the provisions of Section 292 and other provisions of the Act and Article 165 the Directors may delegate all or any of their powers to committees consisting of such member or members of their body as they think fit, and they may, from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes, but every Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointments but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of that body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
Resolution by circular	165. Subject to the provisions of Section 289 of the Act, a resolution passed without any meeting of Directors, or of a Committee of Directors appointed under these Articles and evidenced by writing under the hands of all the Directors or members of such Committee as aforesaid, for the time being in India, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of such committee called and held in accordance with the provisions of these Articles. Provided that the resolution has been circulated in draft, together with the necessary papers, if any, to such Directors, or members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or the Committee as the case may be and all other Directors or members at their usual address in India and has been approved by such Directors as are then in India or by majority of such of them, as are entitled to vote on the resolution.
Limit of Director's numbers	166. Subject to the provisions of Sections 252, 255 and 259 of the Act, the Company in general meeting may, by ordinary resolution, increase or reduce the number of Directors within the limits fixed in that behalf by these Articles.
Acts of Board or Committee valid notwithstanding defect of appointment	167. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in these Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.
Minutes of	168. The Directors shall cause minutes to be duly entered in a book or books

proceedings of the Board and the Committees to be valid	provided for the purpose in accordance with these Articles and Section 193 of the Act.
Board Minutes to be evidence	169.Minutes of any meeting of the Board of Directors or of any Committees of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be for all purposes whatsoever prima facie evidence of the actual passing of the resolution recorded and the actual and regular transaction or occurrence of the proceedings so recorded and the regularity of the meeting at which the same shall appear to have taken place.
Register of Directors and Managing Directors etc.	170.The Directors shall cause to be kept at the registered office of the Company : a) (i) A Register of the Directors, Managing Directors, Manager and Secretary of the Company containing the particular required by Section 303 of the Act. (ii) A Register of Contracts with companies and firms in which the Directors are interested, containing the particulars required by Section 301 of the Act, and (iii) A Register of Directors shareholding containing the particulars required by Section 307 of the Act. They shall also cause to be kept other registers and indexes as required by the Act. b) The Company shall comply with the provisions of Sections 301, 303 and 307 and other Section of the Act with regard to the inspection of registers and furnishing copies or extracts so far as the same be applicable to the Company.
POWERS OF DIRECTORS	
Certain powers to be exercised by the Board only at meeting	171. a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board. (i) The power to make calls on shareholders in respect of money unpaid on their shares; (ii) The power to issue debenture; (iii) The power to borrow moneys otherwise than on debentures; (iv) The power to invest the funds of the Company, and (v) The power to make loans. Provided that the Board may be resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iii), (iv) and (v) to the extent specified in clauses (b), (c) and (d) respectively on such condition as the Board may prescribe. b) Every resolution delegating the power referred to in sub-clause (iii) of clause (a) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegate. c) Every resolution delegating the power referred to in sub-clause (iv) of clause (a) shall specify the total amount upto which the funds of the Company may be invested and the nature of the investments which may be made by the delegate. d) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount upto which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount upto which loans may be made for each such purpose in

	<p>individual cases.</p> <p>e) Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i), (ii), (iii), (iv) and (v) of clause (a) above.</p>
<p>Restriction on powers of Board</p>	<p>172.</p> <p>a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting :</p> <p>(i) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p> <p>(ii) remit, or give time for the repayment of any debt, due by a Director;</p> <p>(iii) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (i) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>(iv) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</p> <p>(v) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amounts the aggregate of which will in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years, immediately proceedings, whichever is greater.</p> <p>b) Nothing contained in sub-clause (a) above shall affect:</p> <p>(i) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</p> <p>(ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>d) No debt incurred by the Company in excess of the limit imposed by sub-clause (iv) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that</p>

	<p>the limit imposed by that clause had been exceeded.</p> <p>Prohibition regarding making of political contributions</p> <p>e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) of Section 293 of the Act and in regard to the limitations on the power of the Company contained in Section 293A of the Act.</p>
General powers of the Company vested in Directors	<p>173. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.</p>
Specific powers given to Directors	<p>174. Without prejudice to the general powers conferred by Article 172 and the other powers conferred by these presents and so as not in any way to limit any or all of those powers, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>To pay registration expense</p> <p>(i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;</p> <p>(ii) to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act;</p> <p>To acquire property</p> <p>(iii) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</p> <p>To purchase lands, buildings etc.</p> <p>(iv) Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>To Construct buildings</p> <p>(v) To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company</p>

	<p>and to acquire lands for the purposes of the Company;</p> <p>To mortgage, charge property</p> <p>(vi) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>To pay for property etc.</p> <p>(vii) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>To Insure</p> <p>(viii) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> <p>To open accounts</p> <p>(ix) Subject to Section 292 of the Act, to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>To secure contracts</p> <p>(x) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>To attach to Shares such conditions</p> <p>(xi) To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>To accept surrender, of shares</p> <p>(xii) To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>To appoint trustees</p> <p>(xiii) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee</p>
--	---

	<p>or trustees;</p> <p>To bring and defend actions</p> <p>(xiv) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 293 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>To refer to arbitration</p> <p>(xv) To refer, subject to the provisions of Section 293 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;</p> <p>To act on insolvency matters</p> <p>(xvi) To act on behalf of the Company in all matters relating to bankrupts and insolvents;</p> <p>To give receipts</p> <p>(xvii) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 293 of the Act.</p> <p>To authorise acceptances</p> <p>(xviii) To determine from time to time as to who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents on the Company's behalf;</p> <p>To invest moneys</p> <p>(xix) Subject to the provisions of Sections 292, 293, 372A of the Act, to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>To provide for personal liabilities</p> <p>(xx) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;</p> <p>To give to Directors etc. an interest in business</p> <p>(xxi) Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>To provide for welfare of employees</p> <p>(xxii) To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds,</p>
--	--

	<p>institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>To subscribe to charitable and other funds</p> <p>(xxiii) To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national public or any other useful institutions, object or purposes for any exhibition;</p> <p>To maintain pension funds</p> <p>(xxiv) To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the company or with any such subsidiary company, or who are or were at anytime Directors or officers of the company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>(xxv) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>To Create Reserve Fund</p> <p>(xxvi) Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares, debentures, or debenture stock or for special dividend or for equalising dividend for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Sections 292 and 293 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they may expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of</p>
--	---

	<p>the Company or in repayment or redemption or redeemable preference shares, debentures or debenture stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.</p> <p>To appoint Managers etc.</p> <p>(xxvii) To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>To authorise by power of attorney</p> <p>(xxviii) At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>To authorise, delegate</p> <p>(xxix) Subject to the provisions of the Act, generally and from time to time and at any time to authorise, empower or delegate to (with or without powers of sub-delegation) any Director, Officer or Officers or Employees for the time being of the Company and/or any other person, firm or Company all or any of the powers, authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.</p> <p>To Negotiate</p> <p>(xxx) To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p>
MANAGING DIRECTORS	
Power to appoint Managing or Whole-time Directors	<p>175.</p> <p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing</p>

	<p>Director or Managing Directors and/or Whole-time Directors and/or Special Director like Technical Director, Financial Director, etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may be resolution vest in such Managing Director or Managing Directors/Whole-time Director(s), Technical Director(s), Financial Director(s) and Special Director(s) such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>Appointment and payment of remuneration to Managing or Whole-time Director</p> <p>b) Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>
THE SECRETARY	
Secretary	176. Subject to the provisions of Section 383 A of the Act, the Directors may, from time to time, appoint and, at their discretion remove any individual (hereinafter called "the Secretary") who shall have such Qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Director. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.
SEAL	
The seal its custody and use	177. <p>a) The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the Directors or a Committee of the Directors previously given, and in the presence of one Director or a Committee of the Directors previously given, and in the presence of one Director at the least, who shall sign every instrument to which the Seal is so affixed in his presence.</p> <p>b) Seal abroad: The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act for use in any territory, district or place outside India and such powers shall accordingly be vested in the Directors.</p>
INTEREST OUT OF CAPITAL	
Interest may be paid out of Capital	178. Where any shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period and at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building, or the

	provisions of plant.
DIVIDENDS	
Division of Profits	179. The profits of the Company subject to any special rights relating thereto created or authorised to be created by these presents shall be divisible among the members in proportion to the amount of Capital paid up or credited as paid up on the shares held by them respectively.
Dividend payable to registered holder	180. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.
Time of payment of dividend	181. Where a dividend has been declared by the Company it shall be paid within the period provided in Section 207 of the Act.
Capital paid up in advance and interest not to earn dividend	182. Where the Capital is paid up in advance of calls upon the footing that the same shall carry interest, such Capital shall not, whilst carrying interest confer a right to dividend or to participate in profits.
Dividends in proportion to amount paid up	183. <ul style="list-style-type: none"> a) The Company shall pay dividends in proportion to the amounts paid up or credited as paid up on each share, when a larger amount is paid up or credited as paid up on some shares than on others. Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act. b) Provided always that any Capital paid up on a share during the period in respect of which a dividend is declared, shall unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid during such period on such share.
Company in General Meeting may declare dividends	184. The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.
Power of Directors to limit dividend	185. No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend.
Dividends only to be paid out of profits	186. No dividend shall be declared or paid by the Company otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both or out of moneys provided by the Central Government or a State Government for the payment of dividend in pursuance of the guarantee given by that Government provided that: <ul style="list-style-type: none"> a) If the Company has not provided for depreciation for any previous financial year or years, it shall before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of that financial year or out of the profits of any other previous financial year or years; b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both. Provided further that, no dividend shall be declared or paid for any financial year out of the profits of the Company for that year arrived at

	after providing for depreciation as above, except after the transfer to the reserves of the Company of such percentage of its profits for that year as may be prescribed in accordance with Section 205 of the Act or such higher percentage of its profits as may be allowed in accordance with that Section. Nothing contained in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.
Directors' declaration as to net profits conclusive	187. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
Interim Dividends	188. The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
Retention of Dividend until completion of transfer under Article	189. The Directors may retain the Dividends payable upon shares in respect of which any person is under the Transmission clause of these Articles entitled to become a member or which any person under the clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.
No member to receive Dividend whilst indebted to the Company and Company's right to reimbursement therefrom	190. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share(s) whilst any money may be due or owing from him to the Company in respect of such share(s) or debenture(s) or otherwise however either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any member, all sums of moneys so due from him to the Company.
Transferred shares must be registered	191. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Dividend how remitted	192. Unless otherwise directed any dividend may be paid by cheque or warrant or a pay-slip or receipt having the force of a cheque or warrant sent through ordinary post to the registered address of the member or person entitled or in the case of joint holders to that one of them first named in the Register of Members in respect of the joint holding. Every such cheque or warrant so sent shall be made payable to the registered holder of shares or to his order or to his bankers. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost, to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.
Unpaid or Unclaimed Dividend	193. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called “_____ Unpaid Dividend Account” a) The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.
Dividend and call together	194. Any general meeting declaring a dividend may on the recommendation of the Directors make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.
Dividend to be payable in cash	195. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalisation of profit or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the

	Company.
CAPITALISATION	
Capitalisation	<p>196.</p> <p>a) Any general meeting may resolve that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any money's investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalised. Any such amount (excepting the amount standing to the credit of the Share Premium Account and/or the Capital Redemption Reserve Account) may be capitalised;</p> <p>(i) by the issue and distribution as fully paid shares, debentures, debenture stock, bonds or obligations of the Company or</p> <p>(ii) by crediting the shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.</p> <p>Provided that any amounts standing to the credit of the Share Premium Account may be applied in;</p> <p>1) paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;</p> <p>2) in writing off the preliminary expenses of the Company;</p> <p>3) in writing of the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company; or</p> <p>4) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. Provided further that any amount standing to the credit of the Capital Redemption Reserve Account shall be applied only in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares.</p> <p>b) Such issue and distribution under sub-clause (a)(i) above and such payment to the credit of unpaid share capital under sub-clause (a)(ii) above shall be made to, among and in favour of the members of any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (a)(i) or payment under sub-clause (a)(ii) above shall be made on the footing that such members become entitled thereto as capital.</p> <p>c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause (a) (ii) above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.</p> <p>d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may</p>

	<p>issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture stock, bonds, or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.</p> <p>e) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.</p> <p>197. When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.</p>
ACCOUNTS	
Accounts	198. The provisions of Sections 209 to 222 of the Act shall be complied with in so far as the same be applicable to the Company.
Books of Accounts to be kept	<p>199.</p> <p>a) The Company shall keep at its Registered Office proper books of accounts as required by Section 209 of the Act with respect to :</p> <p>(i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;</p> <p>(ii) all sales and purchases of goods by the Company; and</p> <p>(iii) the assets and liabilities of the Company;</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office and proper summarised returns made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.</p>
Books to give fair and true view of the Company's affairs	<p>200.</p> <p>a) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be with respect to the matters aforesaid, and explain the transactions.</p> <p>b) The books of account shall be open to inspection by any Director during business hours as provided by Section 209 of the Act.</p> <p>c) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved</p>

	in good order.
Inspection by members	201. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Directors or by a resolution of the Company in general meeting.
Statements of Accounts to be furnished to General Meeting	202. The Board of Directors shall lay before each annual general meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date, which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.
Balance Sheet and Profit and Loss Account	203. a) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit. There shall be annexed to every Balance Sheet a statement showing the bodies corporate (indicating separately the bodies corporate in the same group) in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate. b) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 212 and other applicable provisions of the Act. c) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.
Authentication of Balance Sheet and Profit & Loss Account	204. a) (i) Save as provided by item (ii) of this sub-clause every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Manager or Secretary, if any, and by not less than two Directors of the Company, one of whom shall be a Managing Director, if any. (ii) When only one of the Directors of the Company is for the time being in India, the Balance Sheet and the Profit and Loss Account shall be signed by such Director, but in such a case, there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason of non compliance with the provisions of the above item (i). b) The Balance Sheet, and the Profit and Loss Account, shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.
Profit and Loss Account to be annexed and Auditors' Report to	205. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report including the Auditors' separate, special or supplementary report, if any, shall be attached thereto.

be attached to the Balance Sheet	
Board's Report to be attached to Balance Sheet	<p>206.</p> <p>a) Every Balance Sheet laid before the Company in general meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts, if any which it proposes to carry to any reserves in such Balance Sheet, the amount, if any which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.</p> <p>b) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business in which the Company has an interest.</p> <p>c) The Board shall also give the fullest information and explanations in its Report or in cases falling under the provision to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of sub-clause (a) and (b) or Article 204.</p> <p>e) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (c) of this Article are complied with.</p> <p>f) Every Balance Sheet and Profit and Loss Account of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards any matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by shareholders at a subsequent general meeting.</p>
Right of Members to copies of Balance Sheet and Auditor's Report	<p>207. A copy of every Balance Sheet (including the Profit and Loss Account, the Auditor's Report and every other document required by Law to be annexed or attached as the case may be, to the Balance Sheet) which is to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of twenty one days before of the meeting.</p>
Three copies of Balance Sheet etc. to be filed with Registrar	<p>208. After the Balance Sheet and Profit and Loss Account have been laid before the Company at the annual general meeting, three copies of the Balance Sheet and Profit and Loss Account duly signed as provided under Section 220 of the Act together with three copies of all documents, which are required to be annexed thereto shall be filed with the Registrar, so far as the same be applicable to the Company.</p>
AUDIT	
Accounts to be audited	<p>209. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p>
Appointment and qualification of	<p>210.</p> <p>a) The Company at the annual general meeting each year shall appoint an</p>

auditors	<p>Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next annual general meeting, and shall, within seven days of the appointment, give intimation thereof to every auditor so appointed.</p> <p>b) At any annual general meeting, a retiring Auditor, by whatever authority appointed, shall be reappointed unless:</p> <p>(i) he is not qualified for reappointment;</p> <p>(ii) he has given the Company notice in writing of his unwillingness to be reappointed;</p> <p>(iii) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be reappointed, or</p> <p>(iv) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the resolution cannot be proceeded with</p> <p>c) Where at an annual general meeting no auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.</p> <p>d) The Company shall, within seven days of the Central Government's power under sub clause becoming exercisable give notice of that fact to the Government.</p> <p>e) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy be caused by the resignation of an auditor, the vacancy shall only be filled by the Company in general meeting.</p> <p>f) A person, other than a retiring Auditor, shall not be capable of being appointed at an annual general meeting unless special notice of the Resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act, and the provisions of Section 225 of the Act shall apply in the matter. The provision of this sub clause shall also apply to a Resolution that a retiring Auditor shall not be re-appointed.</p> <p>g) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.</p> <p>h) None of the persons mentioned in Section 226 of the Act as being not qualified for appointment as Auditors shall be appointed as Auditors of the Company.</p>
Audit of Branch Office	211. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central Government, in that behalf.
Remuneration of Auditors	212. The remuneration of the Auditors shall be fixed by the Company in general meeting in such manner as the Company may in general meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.
Auditor to have access to the books of	213. a) The Auditor/s of the Company shall have a right of access at all times to

<p>the Company</p>	<p>the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor/s.</p> <p>b) All notice of, and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company; and the Auditor/s shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part of the business which concerns him as Auditor.</p> <p>c) The Auditors shall make a Report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in annual general meeting during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanation given to him, the accounts give the information required by the Act in the manner so required and give a true and fair view:</p> <p>(i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year; and</p> <p>(ii) in the case of the Profit and Loss Account, of the Profit and Loss for that financial year.</p> <p>d) The Auditor's Report shall also state:</p> <p>(i) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;</p> <p>(ii) whether, in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books and proper returns adequate for the purpose of his audit have been received from branches not visited by him;</p> <p>(iii) whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company auditor has been forwarded to him as required by clause (c) sub-section (3) of the Section and how he has dealt with the same in preparing the Auditor's Report;</p> <p>(iv) whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.</p> <p>e) Where any of the matters referred to in this Article is answered in the negative or with a qualification the Auditor's Report shall state the reasons for the answer.</p>
<p>Accounts when audited and approved to be conclusive except as to errors discovered within three months</p>	<p>214. Every account when audited and approved by a general meeting shall be conclusive except as regards any error therein discovered within three months next after the approval thereof. Whenever any such error is discovered within the said period, the accounts shall forthwith be corrected and thenceforth shall be conclusive.</p>
<p>DOCUMENTS AND NOTICES</p>	
<p>Service of Notice by member</p>	<p>215. A notice may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by post under a Certificate or posting or by registered post or by leaving it at its Registered Office.</p>

	The term "Notice" in this and the following clauses shall include summons, notice, requisition, order, judgement or other legal papers and any document.
Service of Notice on Register	216. A notice may be served on the Registrar by sending it to him at his office by post under a certificate of posting or by registered post, or by delivering it to, or leaving it for him at his office.
Service of Notice on member by the Company	<p>217.</p> <p>a) A Notice may be served by the Company on any member either personally or by sending it by post to him to his registered address or if he has no registered address in India to the address, if any, within India supplied by him to the Company for giving Notice to him.</p> <p>b) Where a Notice is sent by post:</p> <p>(i) Service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the document, provided that, where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and</p> <p>(ii) Such service shall be deemed to have been effected :</p> <p>1) in the case of a Notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and</p> <p>2) in any other case, at the time at which the letter would be delivered in the ordinary course of post.</p> <p>By Advertisement</p> <p>c) A Notice advertised in a newspaper circulating in neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of Notice to him.</p> <p>On Joint Holder</p> <p>d) Any notice may be served by the Company on the Joint-holders of a Share/debenture by serving it on the joint holder named first in the Register of member / debenture holders in respect of the share/debenture.</p> <p>On Personal Representative</p> <p>e) A Notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title representatives of the deceased or assignees of the insolvent or by any like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.</p>
Notice by Company and signatures thereto	218. Any Notice given by the Company shall be signed by a Director, or by such Officer as the Directors may appoint and the signatures thereto may be written printed or lithographed.
Authentication of documents and proceedings	219. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by the director, the Managing Director, the Manager, the Secretary or other authorized Officer of the Company and need not be under its Common Seal.
WINDING UP	
Distribution of Assets	220.

	<p>a) Subject to the provisions of the Act, if the Company shall be would up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital paid-up at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.</p> <p>b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.</p>
Distribution in specie or kind	<p>221. Subject to the provisions of the Act.</p> <p>a) If the Company shall be would up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributors, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.</p> <p>b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right, if any to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.</p> <p>c) In case any shares to be divided as aforesaid involved a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.</p>
Rights of shareholders in case of sale	<p>222. Subject to the provisions of the Act, a special resolution sanctioning a sale to any other Company duly passed may, in like manner as aforesaid, determine that any shares or other consideration receivable by the Liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent, if any, if such right be given by the Act.</p>
Secrecy Clause	<p>223.</p> <p>a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to this knowledge in the discharge of his</p>

	<p>duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p> <p>b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to required discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>
INDEMNITY AND RESPONSIBILITY	
Directors and others rights to indemnity	<p>224.</p> <p>a) Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Whole-time Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which such Director, Manager, Secretary and Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary, Officer or Servant or in any way in the discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims.</p> <p>b) Subject as aforesaid, every Director, Managing Director, Manager, Secretary or other officer and employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company.</p>
Directors and other officers not responsible for the acts of others	<p>225. Subject to the provisions of Section 201 of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the money of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or troths act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of the office or in relation thereto, unless the same happens through his own dishonesty.</p>
Social Objective	<p>226. The Company shall have among its objectives the proportion and growth of the national economy through increased productivity, effective utilisation of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.</p>
General Power	<p>227. Wherever in the Companies Act, it has been provided that the Company shall</p>

	have any right privilege or authority or that the Company could carry out any transaction only if the Company if so authorised by its Articles, then and in that case these regulations hereby authorise and empower the Company to have such rights privilege or authority and to carry such transactions as have been permitted by the Act.
Postal Ballot	228. The Company may, and in case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in general meeting of the company in accordance with the provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 (including any statutory modification or re-enactment thereof, for the time being in force or any amendments made thereto from time to time).
Board Meeting through Video Conferencing	229. The Company shall have the power to hold Board or Committee meetings through the means of video or tele-conferencing, and also allow Directors to participate in the Board or Committee Meetings through the means of video or tele-conferencing, subject to the applicable provisions, if any, of the Companies Act, 1956 and other regulatory provisions, if any, and all relevant articles dealing with Board or Committee Meetings shall be read mutatis mutandis.

SECTION IX: OTHER INFORMATION

LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before the date of this Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of this Prospectus, delivered to the Registrar of Companies, Mumbai, for Registration and may be inspected at Registered Office of the Company situated at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Kanjurmarg (W), Mumbai – 400 078 from 11.00 a.m. to 5.00 p.m. on Working Days from the date of this Prospectus until the Issue Closing Date.

Material contracts

1. Memorandum of Understanding dated July 10, 2013 between our Company and the Lead Manager i.e. Choice Capital Advisors Private Limited.
2. Memorandum of Understanding dated July 01, 2013 between our company and the Registrar to the Issue.
3. Escrow Agreement dated December 27, 2013 between our Company, Lead Manager, Escrow Collection Bank and the Registrar to the issue.
4. Underwriting Agreement dated December 27, 2013 between our Company, the Lead Manager i.e. Choice Capital Advisors Private Limited.
5. Market Making Agreement dated December 27, 2013 between our Company, Lead Manager and Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated July 23, 2013.
7. Tripartite agreement between the CDSL, our Company and the Registrar dated July 4, 2013.

Material Documents for inspection

8. Certificate of Incorporation dated January 15, 1997.
9. Copy of Fresh Certificate of Incorporation dated April 22, 2013, issued by Registrar of Companies, consequent to the change in the name of company from Chemtech Industrial Valves Private Limited to Chemtech Industrial Valves Limited that is conversion of Private Limited Company to Public Limited Company.
10. Certified true copies of Memorandum and Articles of Association of our Company as amended from time to time.
11. Copy of the resolution passed at the meeting of the Board of Directors held on April 22, 2013 authorizing the issue.
12. Copy of Resolution of the shareholders passed at the Extra Ordinary General Meeting dated May 16, 2013, authorising the Issue.

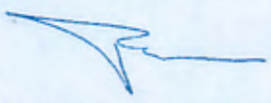
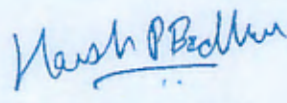
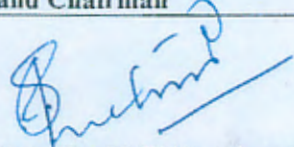
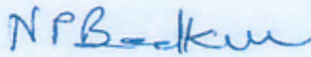
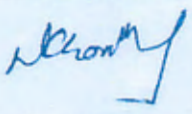
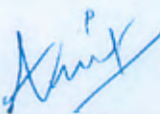
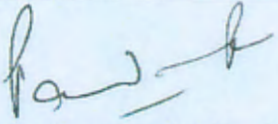

13. Consent of M/s. S P Jain & Associates., the Statutory Auditors of the Company, dated August 3, 2013 for inclusion of their name in the Prospectus.
14. Report dated December 24, 2013 from M/s. S P Jain & Associates, the Statutory Auditors of the Company on the restated financial statements for the years ended March 31, 2009, 2010, 2011, 2012 and 2013 and for the eight months period ended November 30, 2013.
15. Copy of the Statement of Tax Benefits dated December 24, 2013 issued by. M/s. S P Jain & Associates, Chartered Accountants.
16. Consents of the Directors, Company Secretary/Compliance Officer, Statutory Auditors, Lead Manager to the Issue, Underwriters, Market Makers, Bankers to the Company, Escrow and Refund Bankers, Legal Advisors to the Issue and Registrar to the Issue, to include their name in the Prospectus to act in their respective capacities;
17. Copy of approval from BSE vide letter dated October 11, 2013 to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
18. Due Diligence Certificate dated January 06, 2014 to be submitted to SEBI from Lead Manager viz. Choice Capital Advisors Private Limited along with the filing of the Prospectus.
19. Copy of Managing Director Agreement with Mr. Harsh Pradeep Badkur and our Company dated May 16, 2013 for his appointment and copy of special resolution dated May 16, 2013 for the detailed terms of appointment of Mr. Harsh Pradeep Badkur as Managing Director of the Company.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

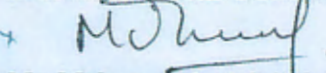
DECLARATION

We, the directors of the Company, hereby declare that, all the relevant provisions of the Companies Act, 1956, and such of the provisions of the Companies Act, 2013, as have come in force vide Ministry of Corporate Affairs' Notification dated September 12, 2013 and the guidelines issued by the Government of India or the SEBI (ICDR) Regulations issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, and such of the provisions of the Companies Act, 2013, as have come in force vide Ministry of Corporate Affairs' Notification dated September 12, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all disclosures and statements made in this Prospectus are true and correct.

Signed by the Board of Directors of the Company:

 Mr. Pradeep Shikharchand Badkur Director and Chairman	 Mr. Harsh Pradeep Badkur Managing Director
 Mr. Ignatious David Chittatukarakaran Inasu, Whole-time Director	 Mrs. Namrata Pradeep Badkur Director
 Mr. Niranjay Amritlal Choudhary Independent Director	 Mr. Amit Kumar Jain Independent Director
 Mr. Rajnikant Hemchandra Panday Independent Director	 Mr. Amitabh Rameshchand Luhadia Independent Director

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER:


Mr. Mohammed Abdullah Satewala

Date: January 06, 2014
Place: Mumbai

