



PROSPECTUS
January 31, 2007

ASTRAL POLY TECHNIK LIMITED

(Our Company was incorporated on March 25, 1996 as ASTRAL POLY TECHNIK PRIVATE LIMITED, under the Companies Act, 1956 with Registration Number 04-29134 of 1995-96. The name of our Company was changed to ASTRAL POLY TECHNIK LIMITED vide Fresh Certificate of Incorporation dated September 29, 2006 with Company Identification Number U25200GJ1996PLC029134. The Registered Office of our Company was shifted from 59, Nehru Park, Vastrapur, Ahmedabad - 380 015 to A-1, Supal Apartments, Nehru Park, Vastrapur, Ahmedabad - 380 015 with effect from January 16, 1998 and to its present address with effect from June 4, 2001.

Registered and Corporate Office: 901, Parshwa Tower, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad - 380 054, India.

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E-mail: investor@astralcpvc.com **Website:** www.astralcpvc.com

PUBLIC ISSUE OF 29,71,000 EQUITY SHARES OF RS.10/- EACH AT A PRICE OF RS. 115/- PER EQUITY SHARE FOR CASH AGGREGATING RS. 3416.65 LACS (HEREINAFTER REFERRED TO AS THE "ISSUE") INCLUDING EMPLOYEE RESERVATION OF 1,50,000 EQUITY SHARES AGGREGATING RS. 172.50 LACS (HEREINAFTER REFERRED TO AS THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION I.E. 28,21,000 EQUITY SHARES AGGREGATING RS. 3244.15 LACS SHALL BE HEREINAFTER REFERRED TO AS THE "NET ISSUE" OR "NET ISSUE TO THE PUBLIC" THE ISSUE AND THE NET ISSUE WOULD CONSTITUTE 26.44% AND 25.10% OF THE POST ISSUE PAID-UP CAPITAL OF THE COMPANY RESPECTIVELY.

THE ISSUE PRICE IS 11.5 TIMES OF THE FACE VALUE

RISK IN RELATION TO FIRST ISSUE

This being the first issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. The face value of the shares is Rs 10/- and the Issue Price is 11.5 times of the face value. The Issue Price (has been determined and justified by the Lead Manager and the Company as stated in the Section titled "Basis of Issue Price") and should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of 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 the 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 the Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the statements in the section titled "Risk Factors" beginning on page xi of the Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in the 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 make the 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 issued through the Prospectus are proposed to be listed on Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). We have received the in-principle approvals from these Stock Exchanges for the listing of our Equity Shares pursuant to letters dated December 14, 2006 and January 12, 2007 respectively. For the purpose of the Issue, BSE is the Designated Stock Exchange.

IPO GRADING

Our Company has not opted for IPO Grading.

LEAD MANAGER TO THE ISSUE



KARVY INVESTOR SERVICES LTD.

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REGISTRAR TO THE ISSUE



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ISSUE PROGRAMME

ISSUE OPENS ON : FEBRUARY 14, 2007 (WEDNESDAY)

ISSUE CLOSURES ON : FEBRUARY 22, 2007 (THURSDAY)

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SECTION I : GENERAL

DEFINITIONS AND ABBREVIATIONS

TERM	DESCRIPTION
"Astral", "our Company", "the Company", "Issuer", "we", "us"	Unless the context otherwise requires, refers to ASTRAL POLY TECHNIK LIMITED, a public limited company incorporated under the Companies Act, 1956.
Promoters	Unless the context otherwise requires, refers to Mr. Sandeep P. Engineer, Mrs. Jagruti S. Engineer, Mr. Nimish G. Dalal, Mrs. Tarlika G. Dalal and Specialty Process LLC
Promoter Group Companies	Unless the context otherwise requires, refers to Kairav Chemicals Limited, Saumya Pharma Private Limited, Saumya Polymers Private Limited and Merge Systems Private Limited

General/Conventional Terms

TERM	DESCRIPTION
Articles / Articles of Association / AoA	The Articles of Association of our Company
Auditors	The Statutory Auditors of our Company, being N. Gamadia & Co., Chartered Accountants
Board of Directors/Board	The Board of Directors of our Company or a Committee thereof
Companies Act	The Companies Act, 1956, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depository Participant	A depository participant as defined under the Depositories Act
Directors(s)	Director(s) of the Company unless otherwise specified
FEMA	Foreign Exchange Management Act, 1999 as amended
Financial Year/ FY / Fiscal	The period of twelve months ended March 31 of that particular year
FIs	Financial Institutions
Memorandum / Memorandum of Association/MoA	The Memorandum of Association of our Company
NRI / Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, each such term as defined under the FEM (Deposit) Regulations, 2000, as amended
Non-Resident	A person who is not resident in India except NRIs and FIIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less

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TERM	DESCRIPTION
	than 60% of beneficial interest is irrevocably held by NRIs, directly or indirectly, as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. OCBs are not permitted to invest in the Issue
Registered Office of our Company / Registered and Corporate Office of our Company	901, Parshwa Tower, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad- 380 054
SEBI Guidelines/SEBI DIP Guidelines	The SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Insider Trading Regulations	The SEBI(Prohibition of Insider Trading)Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI MAPIN Regulations	The SEBI (Central Database of Market Participants) Regulations, 2003 as amended from time to time

Issue related Terms and Abbreviations

TERM	DESCRIPTION
Allotment/Allotment of Equity Shares	Unless the context otherwise requires, issue of Equity Shares pursuant to this Issue
Allottee	The successful Applicant to whom the Equity Shares are being / or have been issued or transferred
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The form in terms of which the investor shall apply for the Equity Shares of our Company
Banker(s) to the Issue	HDFC Bank, ICICI Bank, Corporation Bank and Standard Chartered Bank.
Designated Stock Exchange	BSE
Issue	The Issue of 29,71,000 Equity Shares of Rs. 10/- at the Issue Price of Rs.115 aggregating Rs. 3416.65 Lacs.
Issue Closing Date	The last date on which the Issue will be open for subscription after which the Bankers to the Issue will not accept any applications for the Issue
Issue Opening Date	The date on which the Bankers to the Issue shall start accepting applications for the Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective investors can submit their Applications
Issue Price	The final price at which the Equity Shares will be issued by the Company under the Prospectus. The Issue Price will be determined by our Company in consultation with the Lead Manager(s) prior to filing of the Prospectus with RoC
LM	Lead Manager to the Issue, in this case being Karvy Investor Services Limited.
Eligible Employee(s)	<p>a. A permanent employee of our Company working in India or out of India; or</p> <p>b. A Director of our Company, whether a whole time director, part time Director or otherwise;</p> <p>For the purpose of the Employee Portion, Eligible Employee should be:</p> <p>(i) Employees (as defined hereinabove) on the date of filing of the Prospectus with RoC; and</p> <p>(ii) Indian Nationals, based in India and should be physically present in India on the date of submission of the Application Form</p>
Employee Reservation Portion	The portion of the Issue of 1,50,000 Equity Shares aggregating Rs. 172.50 Lacs available for allotment to Eligible Employees.
Equity Shares	Equity shares of face value of Rs.10/- each of our Company unless otherwise specified in the context thereof
First Applicant	The Applicant whose name appears first in the Application Form
Indian GAAP	Generally Accepted Accounting Practices in India
Indian National	As used in the context of the Employee Reservation Portion, a citizen of India as defined under the Indian Citizenship Act as amended, who is not an NRI
Mutual Funds	Means mutual fund registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.

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TERM	DESCRIPTION
Net Issue/ Net Issue to the Public	The Issue less the Employee Reservation Portion.
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue Price, the size of the Issue and certain other information
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIs, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds with a minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs(subject to applicable law)
Refund Banker	Standard Chartered Bank
Registrar / Registrar to the Issue	BigShare Services Private Limited
Retail Individual Applicants	Individual Applicants (including HUFs) who have applied for Equity Shares for a value of not more than Rs. 100,000/-

Notwithstanding the foregoing,

- (i) in the section titled "Main Provisions of the Articles of Association of the Company" beginning on page 196 of the Prospectus, defined terms have the meaning given therein and
- (ii) in the section titled "Financial Statements" beginning on page 118 of the Prospectus, defined terms have the meaning given therein.
- (iii) In the chapter titled "Statement of Tax Benefits" under section titled "Introduction" beginning on page 43 of the Prospectus, defined terms have the meaning given therein.

Company / Industry Related Terms and Abbreviations

TERM	DESCRIPTION/FULL FORM
Adaptor	A fitting that joins two different types of pipes together, such as ABS to cast-iron, or threaded to non-threaded
ASHH	Average Size Household
ASTM	American Society for Testing Materials
BPO	Business Process Outsourcing
BTU	British Thermal Unit
CENVAT	Central Value Added Tax
Corrosion	The disintegration of a metal by electrochemical means.
CPVC	Chlorinated Poly Vinyl Chloride
CRISINFAC	Annual Review January 2006 on housing by CRISIL Research & Information Services Limited (a subsidiary of CRISIL)
CTS	Copper Tube Size
CVD	Countervailing Duty
DG	Diesel Generator
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
Female Threads	Faucet threads that are in place on the inside of a fitting.
FIP	Female Iron Pipe Connection
FSA	Floor Space Area
GI	Galvanised Iron
GPH	Gallons Per Hour
GPM	Gallons Per Minute
HDPE	High Density Polyethylene
HP	Himachal Pradesh
Hunter	Hunter Plastics Limited, UK
ID	Inside Diameter
IPS	Iron Pipe Size
IPSC	IPS Corporation
KVA	Kilo Volt Ampere
MIP	Male Iron Pipe Connection
MPX	Male Pipe Swivel Connection

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TERM	DESCRIPTION/FULL FORM
Noveon	Noveon IP Holdings Corp. (formerly known as Specialty Chemicals Division of B.F. Goodrich Company, USA)/Noveon Europe B.V.B.A.
NPS	National Pipe Straight
NPT	National Pipe Tapered
NSF	National Sanitation Foundation
NSSO	National Sample Survey Organisation
OD	Outside Diameter
OEM	Original Equipment Manufacturer
PE	Polyethylene
PEX	Cross Linked Polyethylene
Ph	Degree of acidity or alkalinity measured on a scale from 0-14 with 7 as a neutral point
Potable Liquid	Fit to drink
PVC	Poly Vinyl Chloride
QA	Quality Assurance
SAD	Special Additional Duty
SCH	Schedule
SDR	Standard Dimension Ratio
Spears	Spears Manufacturing Company
Stem	A rod or pipe that connects the float to the valve arm
TPI	Threads Per Inch
UL	Underwriters Laboratory
UPNS	Urban Pucca Non-Slum category
UV	Ultra Violet
WHO	World Health Organisation
4 to 10 Bars	Unit of measurement of pressure of liquids

Abbreviations

ABBREVIATION	FULL FORM
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
DGFT	Directorate General of Foreign Trade
DP	Depository Participant.
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
Euro	Legal Currency of the European Union
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the rules and regulations issued thereunder for the time being in force.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
GIR Number	General Index Registry Number
Goi	Government of India.
HUF	Hindu Undivided Family
IEC	Importer Exporter Code
I. T. Act	The Income Tax Act, 1961, as amended from time to time
I. T. Rules	The Income Tax Rules, 1962, as amended from time to time
I.T	Information Technology
I.T.E.S	Information Technology Enabled Services
MICR	Magnetic Ink Character Recognition
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NRE Account	Non Resident External Account

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ABBREVIATION	FULL FORM
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies, Gujarat, Ahmedabad	The Registrar of Companies, Gujarat, situated at ROC Bhavan, Opp. Rupal Park Society, Near Ankur Bus Stop, Naranpura, Ahmedabad - 380 013
RONW	Return On Net Worth
Rs./ Rupees/INR	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	The Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time
SEZ	Special Economic Zone
Stock Exchanges	BSE and NSE
TAN	Tax Deduction Account Number
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
VAT	Value Added Tax

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Unless stated otherwise, the financial information used in the Prospectus is derived from our Company's restated financial statements as on and for the years ended March 31, 2002, 2003, 2004, 2005 and 2006 and for the nine months ended December 31, 2006, prepared in accordance with Indian GAAP and the Companies Act, 1956, and restated in accordance with SEBI Guidelines, as stated in the report of our Statutory Auditors, N. Gamadia & Co., Chartered Accountants, included in the Prospectus.

Our fiscal year commences on April 1 and ends on March 31 of a particular year. Unless stated otherwise, references herein to a fiscal year, are to the fiscal year ended March 31 of a particular year.

In the Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding-off.

Market data used in the Prospectus has been obtained from industry publications and internal Company reports. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe market data used in the Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed to be reliable, have not been verified by any independent source.

The various sources/reports that have been referred to and used for the purposes of the Prospectus are:

1. CRIS INFAC Report, January 2006;
2. The Freedonia Group World Plastic Pipe report dated October 1, 2003
3. Images Research

FORWARD-LOOKING STATEMENTS

We have included statements in the Prospectus which contain words or phrases such as "will", "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".

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company as well our business and industry that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the expectations include, but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations that apply directly or indirectly to the Indian plastic-pipe industry, or increased competition therein;
- The ability to successfully implement our strategy, our growth and expansion plans and implement technological changes;
- The size, timing and profitability of significant product sales;
- Our ability to retain our clients and acquire new clients;
- Changes in our pricing policies or those of the competitors;
- Non-continuance of / or changes in terms of our licensing arrangements for our products;
- Our ability to meet our capital expenditure requirements and our ability to attract and retain qualified personnel;
- Changes in the value of the Rupee and other currencies ;
- Changes in the political and social conditions in India or in the countries that we may enter into, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated fluctuations in interest rates, equity prices or other prices.

For a further discussion of factors that could cause our actual results to differ, see the sections titled "Risk Factors" beginning on page xi, chapter titled "Our Business" under section titled "About Us" beginning on page 60 and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" under section titled "Financial Statements" beginning on page 158 of the Prospectus respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, the Lead Managers, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

SECTION II : RISK FACTORS

Risk Factors

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in the Prospectus, including the risks and uncertainties described below, before making an investment in our Company's Equity Shares. If any of the following risks actually occur, our Company's business, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

Unless otherwise stated in the relevant risk factors set forth below, our Company is not in a position to specify or quantify the financial or other implication of any risks mentioned herein.

Materiality

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

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

Risks in Relation to our Business and Results of Operations:

1. ***We have contingent liabilities in our balance sheet, as restated, as at December 31, 2006***

The auditors report for December 31, 2006, states that there are no contingent liabilities not provided for except otherwise as below.

(Rs.in Lacs)

Particulars	Year ended March 31					Nine months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Outstanding Letter of Credit	25.08	-	-	-	-	26.21
Export Obligation under EPCG Scheme (Duty involved)	-	-	-	44.50	44.50	38.91
Bank Guarantee	-	-	-	-	2.17	3.19
Capital Contracts remaining to be executed	-	-	-	7.00	10.00	222.22
Total	25.08	-	-	51.50	56.67	290.53

In the event any of the above-mentioned obligations materialize, our Company will face additional financial burden to the extent, thereby affecting our profitability

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2. We may face risk on account of not meeting our export obligations.

We have obtained licenses under EPCG scheme as listed below. As per licensing requirements under the said scheme, we are required to export goods of a defined amount. Details of our export obligations under these licenses are as hereunder:

Sr. No	License Number and Date	Export Obligation value (Rs. in Lacs)	Duty Saved (Rs in Lacs)	Obligation Period
1.	0830000676 dated November 2, 2004.	355.98	Rs. 44.50	November 2, 2012

Our Company has made exports of Rs. 44.66 Lacs as on December 31, 2006. The consequence of not meeting the above commitment would result in a retrospective levy of import duty on items previously imported at concessional duty. Additionally, the respective authorities have rights to levy penalties and / or interest for any defaults on a case-by-case basis.

3. Our Company may face increased tax liability on withdrawal/cessation of incentives/tax holidays, presently extended by the State of Himachal Pradesh.

Our Company is presently enjoying tax holidays/incentives extended by the State of Himachal Pradesh for the development of the region, in the form of incentives /concessional levies of tax under Sales Tax legislations, Central Excise Rule, 1944, and Income Tax Act, 1961. Withdrawal or cessation of these incentives/concessions/tax holidays will lead to increased incidence of tax, which may ultimately affect our profitability.

4. Our loan agreements have several restrictive covenants

We have entered into agreements for term loan and financial facilities with Corporation Bank. These agreements contain several restrictive covenants. Before effecting any of the belowmentioned transactions, we would require prior approval from Corporation Bank. These transactions include :

- i. effect changes in our Company's capital structure;
- ii. formulate any scheme of amalgamation/re-constitution;
- iii. enter into borrowing arrangements, either secured or unsecured, with any other bank, financial institution, company or person;
- iv. undertake guarantee obligations on behalf of any other company, firm or person;
- v. create any further charge, lien or encumbrance over the assets and properties of our Company, which are to be charged to Corporation bank, in favour of any Bank, financial institution, company, firm or person;
- vi. sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank;

These covenants may restrict our business decision making ability.

5. If we default in repayments of debt to our lender Corporation Bank, it may, by virtue of contractual provisions, enforce/ seek to enforce security interests on our assets, which in turn may adversely affect operations and/ or profitability.

The current debt agreements with Corporation Bank contains certain restrictive covenants which require us to obtain their prior consent before undertaking certain actions. We have obtained the written approval from Corporation Bank for this Issue. If we default on the repayment of debt, the lenders could enforce their security interests on our assets limiting the ability to carry out operations. For details of these loan agreements please refer to the Auditors Report under Section titled "Financial Statements" beginning on page 118 of the Prospectus.

6. *Our failure to develop new and improved products and markets could adversely affect our business.*

Our success depends in part on our ability to develop new products and markets. We have in the past made, and intend to continue to make investments in research and development in order to enable us to identify and develop new products to meet consumer demands and keep pace with new product introductions by our competitors. However, our failure to develop new and improved products or develop markets for existing or new products may have an adverse effect on our business.

7. *Increased competition may result in lower prices of or a decreased market share for our products. Our failure to effectively compete may reduce our profitability.*

We experience competition across markets for our products from domestic and international players. We compete with other pipe manufacturers on the basis of availability of technology, product, product range, product traits, quality and other factors as well as based on price, reputation, customer service and customer convenience. Our failure to compete effectively may decrease, or prevent us from increasing our market share and reduce our profitability.

8. *We do not follow the practice of entering into specific contracts with our distributors although we are heavily dependent on the success of our distribution network and dealerships.*

We rely on our distribution network and dealerships for the sale, distribution and marketing of our products in each of the regions in which we operate. We do not enter into specific contracts with our distributors/dealers. Furthermore, our business growth depends on our ability to attract additional high-quality dealerships to our distribution network. While we believe that we have good relations with our distributors and dealers, there is no assurance that our current distributors and dealers will continue to do business with us or that we can continue to attract additional distributors and dealers to our network. If we do not succeed in maintaining the stability of our distribution and dealership network, our market share may decline, materially adversely affecting our results of operations and financial condition.

9. *Over-dependence on a few suppliers to meet our raw material requirements*

Our Company largely depends on a few suppliers to meet our raw material requirements. CPVC is the primary raw material for manufacturing operations. Any disruptions or changes in supply terms may adversely affect our operations and profitability of our business.

10. *Any loss of or breakdown of our machineries, at any of our manufacturing facilities may have an adverse affect on business, financial condition and results of operations.*

Although we have been insured for machinery break down, our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, industrial accidents and the need to comply with directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although, we have taken precautions to minimize the risks of any significant operational issues at our manufacturing facilities, our business and operations may be adversely affected by any disruption of operations at manufacturing facilities.

11. *Any disruption in supply of power at our manufacturing facilities may have an adverse affect on our operations.*

The power requirements of our Company are presently met by purchase of electricity from the State Boards of Gujarat and Himachal Pradesh. Although we have a standby arrangement to substantially meet our power requirements through DG sets, any disruption in supply of power at our manufacturing facilities may have an adverse effect on our operations.

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12. *Our foreign trade activities expose us to a continuing risk of foreign currency fluctuations.*

Our Company imports raw materials, finished products and machinery and undertakes exports of finished products, which involves risks associated with foreign exchange fluctuations, which could adversely affect the revenues and profitability of our operations. Any borrowings in foreign currency could also face similar risks.

We are exposed to the risk of foreign currency fluctuations although we use hedging mechanism based on our assessment of the market conditions.

13. *Any failure in our IT systems could adversely impact our business.*

We rely upon an Enterprise Resource Planning ("ERP") system which has been developed in-house, for integrating our core and back-end activities such as projects, costing, inventory, finance, sales, CRM, invoice billing, estimation, purchases, invoices, payments, tax calculations and employee salaries. Any disruption of the functioning of our existing IT systems could disrupt our ability to track, record and analyse the work in progress, cause loss of data and disruption in operations including, among others an ability to assess the progress of the projects, process financial information or manage creditors/debtors or engage in normal business activities. This may have an adverse effect on our operations.

14. *We may not be able to protect our intellectual property rights against piracy*

Unauthorized third parties may try to infringe our trademarks/technology licenses. Inability to protect our proprietary technology against unauthorized copying or use, may adversely affect our business and market competitiveness.

We have applied for trademark registration of some of our brand names. Failure to obtain registrations of these marks could have an adverse effect on our business. For further details refer to chapter titled "Our Business" under section titled "About Us" beginning on page 60 of the Prospectus.

15. *We may not be able to protect our designs from unauthorised copying of our designs*

Our designs are exposed to unauthorised copying, thereby making it easier for third parties to compete with our products by copying functionality, which could adversely affect our business.

16. *We utilise various properties on a leasehold/license basis and any termination of these leases/licenses and/or non-renewal could adversely affect our operations.*

Some of the properties used by us for business are leasehold or have been taken on a leave and license basis. Any termination of these leases/ licenses whether due to any breach or otherwise, or non-renewal thereof, could adversely affect the business operations.

17. *Agreements for some of the immovable properties remain to be registered, as required by the Registration Act, 1908.*

Our Company has leasehold premises at Bangalore and Delhi. The lease agreements entered into by our Company remain to be registered. The consequences of non-registration include, inter alia a registered document, in relation to any property, would take precedence over an unregistered document in relation to the said property.

18. *We are dependent on our management team for success whose loss could adversely impact our Company's profitability.*

Our success largely depends on the continued services and performance of our management and other key employees. The need for capable senior management in the industry is intense, and we may not be able to retain our senior management or attract and retain new senior management in the future. 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 manage its human resources would adversely affect our ability to implement new projects and expand our business.

19. *Our Promoters and Directors are interested in properties occupied by our Company*

Our Company has acquired the registered office premises from two of our Promoters, Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer and has further given on license part of the registered office premises to our Promoter Group company Kairav Chemicals Limited as stated in the chapter titled "Our Business" under section titled "About Us" beginning on page 60 of the prospectus and paragraph titled "Interest of Promoters and Directors" on page 106 of the Prospectus;

20. *One of our promoters viz. Specialty Process LLC is engaged in common pursuits*

One of our Promoters, Specialty Process LLC, has considerable expertise in the CPVC industry. We have not entered into any exclusive arrangement, non-competition or secrecy obligation binding our Promoter in relation to our Company. Our Promoter, Specialty Process LLC, may directly or indirectly engage in common pursuit with us by providing technical assistance or entering into technical collaboration with any person or entity including any competitors or potential competitors, and furnish any information and/or technology including those furnished or being furnished to our Company. This may result in a conflict of interest with respect to business strategies of our Company.

21. *Two of our Promoters are actively involved in the management of other business operations in our Promoter Group viz. Kairav Chemicals Limited, which may restrict their time and attention to the affairs of our company*

Two of our Promoters are actively involved in the management of both the businesses i.e of Astral and Kairav Chemicals Limited. Attention to the other businesses may restrict management time and attention to our business and it could affect the results of our operations.

22. *Our group company Kairav Chemicals Ltd. is involved in legal proceeding which may be determined against it.*

A winding up petition filed on September 13, 2006 by Kairav Chemicals Limited against Ambalal Sarabhai Enterprises Ltd. for the winding up of the respondent company, due to the alleged default in payment by the respondent company of the outstanding claim amount of the petitioner, has been disposed off vide order dated November 21, 2006, and consent terms dated November 18, 2006 have been entered into by the parties to the petition wherein the respondent company has agreed to make payment by January 31, 2007 of Rs. 10.31 Lacs i.e. 90% of the principal outstanding amount of Rs. 11.46 Lacs.

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23. *We have taken unsecured loans in the past.*

Our Company has availed of the following unsecured loans:

Particulars	Year ended March 31					(Rs.in Lacs)
	2002	2003	2004	2005	2006	Nine months Ended 31.12.2006
Deposits From						
Promoters	51.37	-	-	-	-	-
Promoter Group	-	2.68	2.75	2.80	0.50	0.50
Group companies	8.83	3.09	-	-	-	-
Others	101.35	94.33	68.95	40.81	8.73	8.73
Total	161.55	100.10	71.70	43.61	9.23	9.23

Note :

Interest free Short Term Deposits are accepted from promoter and group companies. There is no stipulation regarding their repayment

24. *Our business has experienced rapid growth in the past, which we may not be able to sustain in the long run.*

We may not be able to sustain our past growth in revenues and profits or maintain a similar rate of growth in the long run.

25. *Our Promoter Group Company, Kairav Chemicals Limited has incurred losses in one of the last three years.*

Our Promoter Group Company, Kairav Chemicals Limited has incurred losses of Rs.11.34 Lacs in the year ended March 31, 2005.

26. *Employee health, safety and regulatory measures are very important in our industry; any negligence can affect our performance.*

Our manufacturing process involves certain processes which may pose as a health hazard to our employees. Although, we take the required precautionary measures for our employees' welfare and our employees, are also sufficiently covered under Group Medclaim and Workman Compensation Insurance, any negligence can affect our performance.

Risks arising from Objects of the Issue

27. *The objects of our Issue have not been appraised by any independent agency*

The use of proceeds of the Issue will be in accordance with the chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus. These costs related to the Objects of our Issue, are based on our internal estimates. No bank or financial institution has appraised the objects of the Issue for which proceeds are proposed to be raised through the Issue, and their utilization will be based on our management's internal estimates. Any upward variation in estimated cost components may result in cost overrun.

28. *Our company has not tied-up part of the additional working capital requirements needed for the Objects of the Issue*

Our additional working capital requirements of Rs.1604.86 Lacs, as envisaged in our Objects of the Issue, are based on internal management estimates. Although working capital requirements have been tied up for Phase I of our project, we have yet to tie up for the requirements for Phase II, which is proposed to be part financed from the Issue proceeds. Any non-availability or delays in the sanction or procurement of these funds could affect our business and its profitability.

29. *We have yet to place orders for a substantial portion of our machinery and equipment requirements for Phase II of our proposed project*

We are yet to place orders for plant and machinery for approximately 8.89% for Phase I and 100% for Phase II of the total requirements. We may be subject to risks on account of inflation in the price of machinery and other equipments that we require for the project. Our project could face time and cost overrun which could have an adverse effect on the operations of our Company.

Further, in respect of the machinery/equipment/other project related services that we propose to import/procure from overseas, we may be subject to the risks arising out of currency rate fluctuations. These factors may increase the overall cost of our project.

Further, although we have provided for contingencies, we may face the following risks in relation to the project:

- The budgeted resources for implementation of the project may be inadequate because of cost overruns, which in turn will require additional fund requirement and may impact the overall implementation of the project.
- Delays in the scheduled implementation of the project for any reason, including construction delays, delays in receipt of government approvals or delays in delivery of equipment by suppliers, could result in cost overrun, which in turn will require additional funds and may impact the overall profitability of the project.

30. *Our Company is yet to acquire/purchase land for Phase II for which funds have been earmarked in Objects of the Issue.*

Although our Company has identified certain plots of land in Himachal Pradesh, our Company has yet to acquire or enter into any definitive agreement for the purchase of land for Phase II as envisaged in the Objects of the Issue. For further details refer to the chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

31. *Our Company may face risks of delays / non-receipt of the requisite regulatory/statutory approvals or licenses for any of our Objects arising out of the Issue*

Any delay in receipt or non-receipt or non-renewal of licenses and or approvals that may be required for the proposed expansions could result in cost and time overrun, and could have an adverse impact on our operations and profitability. For details of the said licenses and approvals, please see the paragraph titled "Approvals arising out of Objects of the Issue" on page 170 of the Prospectus.

32. *Our Company has commenced the implementation of expansion project and any time or cost overruns could adversely affect our profitability and operations*

Our Company has commenced the implementation of expansion project, as envisaged in our objects of the Issue, in the last six months. Any adverse variations in the size, timing, costs related to such expansion or our ability to sustain in the markets or the pricing policies vis-à-vis those of our competitors could substantially affect our profitability and operations.

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33. *Delay in raising funds from the IPO*

Our expansion project is proposed to be partially funded from the proceeds of this IPO. Any delay or failure of the same, may adversely impact the implementation of the project.

Risks Arising Out Of Shareholding / Equity Shares

34. *We may continue to be controlled by our Promoters and Promoter Group following the Issue and our other shareholders may not be able to affect the outcome of shareholder voting*

After the Issue, our Promoters and persons/entities in the Promoter Group will collectively hold approximately 63.81% of the fully diluted post Issue equity capital of our Company. Consequently, they may exercise substantial control over us and inter alia may have the power to elect and remove a majority of our Directors and to determine the outcome of significant corporate transactions and decisions requiring approval of our Board of Directors. Further, they may be able to influence any shareholder action or approval requiring a majority vote, and may be able to delay, prevent or deter a change in control.

35. *The market price of our Equity Shares may be adversely affected by additional issues of equity or equity linked securities by our Company or by sale of a large number of our Equity Shares by our significant shareholders*

We may finance our growth plans through additional equity offerings. Any future issuance of equity or equity-linked securities by our Company may dilute the shareholding of investors in our Equity Shares and could adversely affect the market price of our Equity Shares. Although our Promoters are subject to lock-in as per applicable SEBI Guidelines, sales of a large number of our Equity Shares by any significant shareholder after the expiry of the lock-in periods could adversely affect the market price of our Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

36. *We have issued Equity Shares in last twelve months and the price of such issuances is lower than the Issue Price.*

We have made the following allotment of Equity Shares in the twelve months before the date of the Prospectus and the price of such issuances would be lower than the Issue Price:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Allottees
February 8, 2006	3,54,900	10	10	Promoters
March 30, 2006	20,000	10	10	Promoters
March 31, 2006	3,91,085	10	70	Promoters
July 31, 2006	2,56,939	10	70	Promoters
September 23, 2006	2,21,159	10	70	Promoters
September 29, 2006	4,01,530	10	10	Promoter Group, Employees of our Company and of group companies, and to advisors and consultants to our Company
September 30, 2006	3,59,483	10	70	Business associates of our Company
January 25, 2007	4,00,000	10	104	Bank, Corporate body and Individual Investors

37. *We do not have a track record for payment of dividend on equity shares.*

Our Company has not declared or paid any cash dividends on the Equity Shares in the past. The future payment of dividends, if any, would be based on the then available distributable profits and the recommendations of our Board of Directors.

External Risk Factors:

38. *There are a number of factors outside our control which may prejudicially affect us*

There are several factors outside our control that may cause fluctuations to our revenues and operating results and/or prejudicially affect our business, financial condition and results of operations. These include:

- The availability and duration of tax benefits and the availability of other Government incentives, and change in Government policies in the sector(s) in which we operate;
- Currency exchange rate fluctuations;
- Changes in Indian law relating to foreign exchange management and to foreign equity ownership in Indian companies that could constrain our ability to raise capital outside India through the issuance of equity or convertible debt securities; and
- The economies of India, and other principal international markets, more particularly in countries of export, as well as other general economic factors.

39. *After the Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.*

Prior to the Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after the Issue due to a variety of factors, including but not limited to :

- a) results of our operations and the performance of our business;
- b) perceptions about our Company's future performance or the performance of companies operating in the same sector(s) as we do;
- c) Change in the estimates of our Company's performance or recommendations by financial analysts;
- d) performance of our Company's competitors and market perception of investments in the Indian securities market in general;
- e) Adverse media reports on our Company or on the Indian plastic-pipe industry;
- f) general economic, political and social factors, in the country and across the globe;
- g) volatility in the Indian and global securities markets;
- h) trends in general business and industry;
- i) significant developments in India's fiscal regime.

There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after the Issue, or that the price at which our Equity Shares are initially issued will correspond to the prices at which they will trade in the market subsequent to the Issue.

40. *A slowdown in economic growth in India could cause our business to suffer.*

The Indian economy has shown sustained growth over the last few years with gross domestic products ("GDP") showing sustained growth. However, any slowdown in the Indian economy could lead to a slowdown in the industries we operate in and adversely affect our financial performance.

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Notes to Risk Factors:

1. Public issue of 29,71,000 Equity Shares at a price of Rs. 115/- per Equity Share for cash aggregating Rs. 3416.65 Lacs (hereinafter referred to as the "Issue") including Employee Reservation of 1,50,000 Equity Shares aggregating Rs. 172.50 Lacs. The Issue less the Employee Reservation Portion i.e. 28,21,000 Equity Shares aggregating Rs. 3244.15 Lacs shall be hereinafter be referred to as the "Net Issue" or "Net Issue to the Public". The Issue would constitute 26.44% of the post issue paid-up capital of our Company.
2. The net worth of our Company as per our restated financials as at March 31, 2006 is Rs.1682.09 Lacs and as at December 31, 2006 is Rs. 2552.42 Lacs.
3. The average cost of acquisition of Equity Shares by our Promoters is as follows :

Promoter	Cost of acquisition (Rs. per Equity Share)
Mr. Sandeep P. Engineer	13.86
Mrs Jagruti S. Engineer	11.51
Mr. Nimish G. Dalal	3.30
Mrs Tarlika G. Dalal	16.26
Specialty Process LLC	17.90

4. Book value of the Equity Shares of our Company, as per our restated financials as on March 31, 2006 is Rs. 27.06 and as on December 31, 2006 is Rs. 32.44 per Equity Share.
5. Investors are free to contact the Compliance Officer or the Lead Manager for any complaints, clarification or information pertaining to the Issue. For contact details of the Compliance Officer and the LM, please refer to the cover page of the Prospectus.
6. All information shall be made available by the LM and our Company to the public and investors at large and no selective or additional information would be available only to a section of the investors in any manner whatsoever.
7. Investors are advised to refer the chapet titled on "Basis of Issue Price" under section titled "Introduction" on page 40 of the Prospectus before making an investment in the Issue.
8. Except as mentioned in the section titled "Risk Factors" on page xi and in the chapter titled "Capital Structure" under section titled "Introduction" beginning on page 10 of the Prospectus, our Company has not issued any Equity Shares in the last twelve months.
9. Over-subscription, if any, in the Employee Reservation Portion would be allotted proportionately by our Company in consultation with the LM.
10. In the event of the Issue being oversubscribed, the allotment shall be on a proportionate basis. For details refer to chapter titled "Issue Procedure" under Section titled "Issue Related Information" beginning on page 180 of the Prospectus.

11. The aggregate value of Related Party Transactions for the previous three years is as follows.

Year	Value (Rs. In Lacs)
2003-04	222.14
2004-05	333.85
2005-06	508.50
Total	1064.49

For details regarding Related Party Transactions, refer to the section titled "Financial Statements" beginning on page 118 of the Prospectus.

12. Details of our Equity Shares allotted/ purchased/sold by the Promoters since incorporation till the date of filing the Prospectus:

Sr. No	Promoter	Shares			Present Shareholding
		Allotted	Purchased	Sold	
1	Mr. Sandeep P. Engineer	17,37,284	540	100	17,37,724
2	Mrs. Jagruti S. Engineer	9,14,791	-	450	9,14,341
3	Mrs. Tarlika G. Dalal	6,66,467	-	-	6,66,467
4	Mr. Nimish G. Dalal	6,29,417	-	-	6,29,417
5	Specialty Process LLC	15,82,241	-	-	15,82,241
	Total	55,30,200	540	550	55,30,190

For details of allotment of shares to the promoters, refer to the "Notes to Capital Structure" under the chapter titled "Capital Structure" beginning on page 12 of the Prospectus.

13. For details of Interest of our Promoters, Directors and Key Managerial Personnel, please refer to the paragraph titled "Interest/Payment or Benefit to our Promoters", under chapter titled "Our Promoters" beginning on page 114 of the Prospectus.
14. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

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15. The draft prospectus contained a provision of 4,00,000 equity shares for Pre-IPO placement. The details of the shares placed in accordance with the same are as under:-

Sr. No.	Name of Allottee	No of Equity Shares	Issue price per Equity Share (Rs.)	Date of Issue of Equity Shares
1	Corporation Bank	1,80,000	104	January 25, 2007
2	Accord Holdings Pvt. Ltd.	30,000	104	January 25, 2007
3	Monish P. Desai jointly with Archana P. Desai	2,000	104	January 25, 2007
4	Rupal N. Desai jointly with Monish P. Desai	1,000	104	January 25, 2007
5	Pradip N. Desai (HUF)	10,000	104	January 25, 2007
6	Monish P. Desai (HUF)	1,000	104	January 25, 2007
7	Pradip N. Desai jointly with Archana Desai	10,000	104	January 25, 2007
8	Archana P. Desai jointly with Pradip N. Desai	4,000	104	January 25, 2007
9	Mansi P. Desai jointly with Pradip N. Desai	2,000	104	January 25, 2007
10	Mahendra Kumar Khetshi Shah jointly with Anilla Mahendra Shah	1,10,000	104	January 25, 2007
11	Salim Yusufali Morbiwala	50,000	104	January 25, 2007
	Total	4,00,000		

SECTION III: INTRODUCTION

Industry Summary

We are in the piping and plumbing industry with an aim to provide solutions to retain the purity levels of liquids from the point of its origin to the point of its consumption. The demand for water and its use whether on account of residential, agricultural or industrial consumption, has increased with growing population. Till a few years ago, liquid transportation facilities in developing countries brought forth images of corroded surfaces, leaking pipes and damp walls due to the usage of GI pipes, copper pipes, etc. which were susceptible to extreme conditions of temperature, pressure and corrosive properties of the water passing through these pipes. As against the developed countries that have addressed the issue, developing countries like India are gradually addressing the issue by providing hygienic solutions. Every fluid including water has different characteristics, chemical properties, impact on human life and other matters in which it comes in contact with. It is very important that during the course of its transportation, it retains its purity contents and key characteristics for its intended application. This brought about the need for an alternative solution in the form of PVC pipes. Progressing further, the industry realized that there was scope for further improvement in the features of the existing PVC products, thereby resulting in the introduction of Chlorinated PVC (CPVC) products in India.

Business Summary

We are a manufacturer and provider of CPVC piping and plumbing systems in India since 1999. We are the first licensee of Noveon, USA (formerly known as Specialty Chemical Division of B.F Goodrich, USA) to manufacture and market CPVC piping and plumbing system in India. In order to strengthen our business plans, we entered into a techno-financial joint venture with Specialty Process LLC of USA, which provided us the required technical expertise for manufacturing our CPVC pipes and fittings for home and industrial application.

Over the years, we have expanded and enhanced our product lines to provide continually improved services to our customers. As a manufacturer of CPVC pipes and fittings for hot and cold water, industrial and pressure systems application, we had introduced a new product range in lead free PVC pressure pipes and fittings in the year 2004. With a concept of providing a one-stop source for all the plastic piping systems, we also began trading in products such as CPVC and PVC fittings, flanges and valves from Spears (USA), solvent cements (adhesive solutions) for joining pipes and fittings from IPSC (USA), underground specialty fittings from Hunter (U.K) and CPVC and PVC plastic pipes of a larger diameter from Harvell Inc. (USA)

Our Company has its production facilities at Gujarat and Himachal Pradesh to manufacture plumbing systems from ½" to 8" diameter. Our products include CPVC pipes and fittings for hot and cold water plumbing systems, CPVC industrial piping system for transportation of hazardous and highly corrosive chemicals, lead free PVC systems for cold water application.

Innovative product designs and improvements, new technologies, and a fully integrated manufacturing system are all a part of ASTRAL's ongoing commitment to quality, satisfaction and service.

Our Company has received an ISO 9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping system. The raw material used by us for manufacturing CPVC products is certified by National Sanitary Foundation (NSF).

Objective of our Company

It is the policy and objective of our Company to produce a superior quality product suitable for its intended use with regard to functionality, structural integrity, and conformance to established industrial standards and practices. It is the commitment of our Company to meet these objectives in a manner, which provides consistency of product quality, optimum availability and superior customer service, while maintaining efficiency of operations and profitability necessary to perpetuate product improvement and customer satisfaction.

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THE ISSUE

Equity Shares Offered:	
Issue	29,71,000 Equity Shares aggregating Rs. 3416.65 Lacs
Employee Reservation Portion (1)	1,50,000 Equity Shares aggregating Rs. 172.50 Lacs.
Net Issue to the Public	28,21,000 Equity Shares aggregating Rs. 3244.15 Lacs
Out of Which	
a. Retail Portion	1410500 Equity Shares aggregating to Rs. 1622.075 Lacs constituting 50% of the Net Issue to the Public.
b. Other Than Retail Portion	1410500 Equity Shares aggregating to Rs. 1622.075 Lacs constituting 50% of the Net Issue to the Public.
Equity Shares outstanding prior to the Issue	82,67,050 Equity Shares
Equity Shares outstanding after the Issue	1,12,38,050 Equity Shares
Use of Issue Proceeds	Refer to chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

- (1) Over-subscription, if any, in the Employee Reservation Portion would be allotted proportionately by our Company in consultation with the LM.

SUMMARY FINANCIAL DATA

You should read the following information together with the information contained in the Auditors' report included in the section titled "Financial Statements" beginning on page 118 of the Prospectus.

Summary of Financial Data under Indian GAAP

The following table sets forth selected financial information of our Company as of and for the periods ended on March 31, 2002, 2003, 2004, 2005, 2006 and the nine months period ended on December 31, 2006 all prepared in accordance with Indian GAAP, the Companies Act and restated under the SEBI Guidelines.

Summary of Profits & Losses, as restated

The profit and loss statement of the company for five financial years ended 31/03/2002 to 31/03/2006 and for the nine months ended on 31/12/2006 read with significant policies, after making certain regroupings for comparability and making adjustments as stated in the notes to accounts are set out below :

(Rs. In Lacs)

	Particulars	As At 31st March					Nine Months Ended 31.12.2006
		2002	2003	2004	2005	2006	
A	INCOME						
	Sales						
	Of Products Manufactured By The Company	456.89	1,063.28	1,871.65	2,887.77	4,280.69	5,407.69
	Of Products Traded By The Company	344.53	247.48	328.38	658.30	884.69	1,005.13
	Other Income	13.39	3.33	4.85	9.14	14.40	32.51
	Increase (Decrease) In Inventory	(2.52)	5.52	55.36	163.27	192.89	295.04
	Total Income	812.29	1,319.61	2,260.24	3,718.48	5,372.67	6,740.37
B	EXPENDITURE						
	Raw Materials & Goods Consumed	274.30	502.81	886.84	1,585.51	2,674.00	3,756.43
	Cost of Goods Traded	380.93	182.92	299.54	551.21	638.46	812.05
	Staff Costs	42.03	48.65	93.08	147.44	219.69	204.99
	Other Manufacturing Expenses	28.11	51.34	97.08	139.44	245.63	318.47
	Administrative Expenses	64.69	70.21	79.58	153.32	236.01	139.10
	Selling & Distribution Expenses	37.50	163.68	277.84	624.47	601.04	520.67
	Total Expenditure	827.56	1,019.61	1,733.96	3,201.39	4,614.83	5,751.71
C	Profit Before Interest, Depreciation Income Tax, Amortisation & Extraordinary Items	(15.27)	300.00	526.28	517.09	757.84	988.66
	Interest	85.12	72.80	99.31	117.53	125.74	140.56
	Depreciation	18.46	34.78	57.91	86.00	146.99	164.91
	Miscellaneous Expenditure Written Off	9.04	9.04	9.04	4.59	0.12	0.09
D	Net Profit Before Tax And Extraordinary Items	(127.89)	183.38	360.02	308.97	484.99	683.10
	Provision For Taxation						
	Current Tax	1.10	14.00	44.00	80.00	41.64	78.00
	Deferred Tax	-	56.13	43.53	7.90	43.86	10.45
	Fringe Benefit Tax	-	-	-	-	12.50	7.59
E	Net Profit After Tax & Before Extraordinary Items	(128.99)	113.25	272.49	221.07	386.99	587.06
	Extraordinary Items (Net Of Tax)	-	-	-	-	-	-
	Net Profit After Extraordinary Items	(128.99)	113.25	272.49	221.07	386.99	587.06
	Earlier Year Adjustments	(4.97)	0.59	(0.08)	8.23	0.04	-
	Appropriations :						
	Transfer To General Reserve	-	-	-	-	-	-
	Dividend Paid On Preference Shares	-	-	-	5.38	5.38	-
	Tax On Dividend	-	-	-	0.70	0.75	-
F	Balance Carried To Balance Sheet	(133.96)	113.84	272.41	223.22	380.90	587.06

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STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

The assets and liabilities of the company as at 31/03/2002 to 31/03/2006 and for the nine months ended on 31/12/2006 read together with significant accounting policies after making adjustments as stated in the notes to accounts are set out below

(Rs. In Lacs)

Particulars	As At 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Assets						
Fixed Assets						
Gross Block	442.43	551.09	902.36	1,275.39	2,736.63	3,314.90
Less : Depreciation	39.69	74.47	132.38	213.64	362.72	527.59
Net Block	402.74	476.62	769.98	1,061.75	2,373.91	2,787.31
Capital Work In Progress	-	53.55	34.13	262.05	7.55	327.42
Less: Revaluation Reserve	-	-	-	121.14	121.14	121.14
Net Block (after adjustment for Revaluation Reserve) - A	402.74	530.17	804.11	1,202.66	2,260.32	2,993.59
Investments - (B)	5.01	-	-	-	-	0.07
Current Assets, Loans and Advances						
i) Current Assets						
Inventories						
Raw Material	56.52	75.12	107.24	188.23	316.79	539.76
Finished Goods	114.66	185.91	241.19	502.05	742.25	1,163.47
Receivables	265.80	417.20	653.12	604.05	950.64	1,417.31
Cash and Bank Balances	15.24	66.67	15.25	11.54	124.69	176.78
ii) Loans And Advances	55.34	67.94	73.10	200.10	198.78	330.90
Total - (C)	507.56	812.84	1,089.90	1,505.97	2,333.15	3,628.22
Total Assets (D) = (A)+(B)+(C)	915.31	1,343.01	1,894.01	2,708.63	4,593.47	6,621.88
Liabilities & Provisions						
Loan Funds :						
Secured Loans	452.81	426.41	705.71	1,098.01	1,620.40	2,260.87
Unsecured Loans	161.55	100.10	71.70	43.61	9.23	9.23
Deferred Tax Liability	-	46.75	90.27	98.17	142.03	152.48
Current Liabilities And Provisions						
Sundry Creditors	245.55	430.07	363.52	503.00	780.55	1,193.59
Provisions	40.83	101.07	129.27	194.49	359.17	453.29
Total Liabilities (E)	900.74	1,104.40	1,360.47	1,937.28	2,911.38	4,069.46
Net worth (D) - (E)	14.57	238.61	533.54	771.35	1,682.09	2,552.42
Represented by :						
Shareholders Funds						
i) Share Capital	214.12	305.89	319.37	319.37	719.26	786.71
ii) Share Application Money	-	-	-	-	188.46	-
iii) Reserves And Surplus	(176.42)	(53.20)	219.21	573.57	895.84	1,887.09
Less : Revaluation Reserves	-	-	-	121.14	121.14	121.14
iv) Reserves (Net of Revaluation Reserves)	(176.42)	(53.20)	219.21	452.43	774.70	1,765.95
v) Miscellaneous Expenditure (To the extent not written off)	23.13	14.08	5.04	0.45	0.33	0.24
Net Worth ((i) + (iv)) - (v)	14.57	238.61	533.54	771.35	1,682.09	2,552.42

GENERAL INFORMATION

Name and Registered Office of our Company

ASTRAL POLY TECHNIK LIMITED

901, Parshwa Tower,
Opp. Rajpath Club,
Sarkhej-Gandhinagar Highway,
Ahmedabad- 380 054. India.
Tel. : +91-79- 3011 2100
Fax : +91-79- 2687 2214
E-mail : investor@astralcpvc.com
Website : www.astralcpvc.com

(The Registered Office of our Company was shifted from 59, Nehru Park, Vastrapur, Ahmedabad-380 015 to A- 1, Supal Apartments, Nehru Park, Vastrapur, Ahmedabad-380 015 with effect from January 16, 1998 and then to the present address with effect from June 4, 2001)

Details of Registration

Our Company Identification Number (CIN) is U25200GJ1996PLC029134 (Old Registration Number 04-29134 of 1995-96)

Our Company is registered with The Registrar of Companies, Gujarat, Ahmedabad situated at ROC Bhavan, Opp. Rupal Park Society, Near Ankur Bus Stop, Naranpura, Ahmedabad - 380 013.

Board of Directors:

Our current Board of Directors comprises of the following persons:

Name of the director	Designation	Directors' Identification Number
Mr. K. Raghunath Shenoy	Independent Director and Non-Executive Chairman	00801985
Mr. Sandeep P. Engineer	Managing Director	00067112
Mrs. Jagruti S. Engineer	Executive Director	00067276
Mr. Nimish G. Dalal	Non-Executive Director	01042565
Mr. Kyle Thompson	Non-Executive Director	00254002
Mr. Pradip N. Desai	Independent and Non-Executive Director	00336937

Brief Details of our Chairman and Whole Time Directors :

- Mr. K. Raghunath Shenoy**, aged 63 years, is an M. Sc. (Statistics) from Mumbai University. He possesses experience of 37 years in the banking sector. He was the Chairman and CEO of Lakshmi Vilas Bank Ltd., Karur, Tamil Nadu till 2002. He has also served in various positions and retired as an Executive Director of Corporation Bank Ltd in 1992. He has also served in the RBI during the period 1965-1973 as a Statistical Assistant (3 years) and Staff Officer Grade A (5 years) . Presently he is a director of an NGO in Bangalore and a member of the Executive Committee of Bhartiya Vidya Bhavan.
- Mr. Sandeep P. Engineer**, aged 45 years, is a Chemical Engineer by qualification. He started his career as Project Engineer in Cadila Laboratories Limited. After gaining an experience for around a year, he decided to promote M/s Shree Chemicals, a proprietorship concern, in the year 1986, which was operational for about 10 years. Thereafter, in the year 1992, he promoted Kairav Chemicals Private Limited, a pharmaceutical venture for the manufacture of bulk drugs. Inspired by the success achieved in this venture, he diversified into the business of plastic-pipe industry by collaborating with Specialty Process LLC, for further growth and development of our Company, for introduction of CPVC in the Indian markets, thereby revolutionizing the Indian plastic-pipe industry by replacing the conventional metallic system with polymer products. Under his guidance, our Company has witnessed a steady growth over the years.

ASTRAL POLY TECHNIK LIMITED

Presently, he is the member of Executive Committee of the Indian Plumbing Association, and Chairman of the Gujarat Chapter of the association, and also a member of the World Plumbing Council.

3. **Mrs. Jagruti S. Engineer**, aged 41 years, is a Bachelor of Arts in English by qualification. She started her career as a partner in M/s Jagruti Pharmaceuticals till the year 1992. She has been actively involved in the day-to-day affairs of our Company since its inception. She is responsible for the daily administrative activities of our Company. She also possesses experience in activities related to Human Resource Management.

Company Secretary and Compliance Officer

Mr. Lokesh L. Dave

Astral Poly Technik Limited
901, Parshwa Tower,
Opp. Rajpath Club,
Sarkhej-Gandhinagar Highway,
Ahmedabad- 380 054.
Tel. : +91-79- 3011 2100
Fax : +91-79- 2687 2214
E-mail : investor@astralcpvc.com

Legal Advisors to the Issue

M/s. Crawford Bayley & Co.

State Bank Buildings, 4th floor,
N. G. N. Vaidya Marg, Fort,
Mumbai - 400 023.
Tel. : +91 22 2266 3713
Fax : +91 22 2266 0355
E-mail : sanjay.asher@crawfordbayley.com

Bankers to the Company

Corporation Bank

Industrial Finance Branch
Rangoli Complex, 1st Floor,
Opp. V.S. Hospital, Ellis Bridge,
Ashram Road,
Ahmedabad - 380 006.
Tel. : +91 79-2657 5321/2658 4923
Fax : +91 79- 2657 6942
E-mail : cb489@corpbank.co.in
Website : www.corpbank.com

Lead Manager

Karvy Investor Services Ltd.

Karvy House, 46, Avenue 4, Street No.1,
Banjara Hills Hyderabad - 500 034.
Tel. : +91 40 2331 2454/2332 0251
Fax : +91 40 2337 4714
E-mail : mbd@karvy.com
Website : www.karvy.com
Contact Person: Mr. T. R. Prashanth Kumar

Registrar to the Issue**Bigshare Services Pvt. Ltd.**

E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri East,
Mumbai 400 072.
Tel : +91-22-2847 3747 / 3474
Fax : +91-22- 2847 5207
Email : ipo@bigshareonline.com
Website : www.bigshareonline.com
Contact Person : Mr. N.V.K.Mohan

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Bankers to the Issue**Corporation Bank**

Veena Chambers
21 Dalal Street Fort
Mumbai - 400023
Contact Person - Mr. Sripathi
Tel: +91-22-22671715/22671251/22671862
Fax: +91-22-22651744
Email: cb024@corpbank.com
Website: www.corpbank.com

HDFC Bank

26 A, Narayan Properties,
off Saki Vihar Road,
Chandivali, Saki Naka,
Andheri (East), Mumbai - 400072
Contact Person - Mr. Viral Kothari
Tel: +91 - 22 - 28569009/ 28474900 Ext. 1639
Fax: +91 - 22 - 28569256
Email: viral.kothari@hdfcbank.com
Website: www.hdfcbank.com

ICICI Bank Limited

Capital Markets Division
30, Mumbai Samachar Marg,
Mumbai - 400 001.
Contact Person: Mr. Sidhartha Routray
Tel.: +91 22 2262 7600
Fax: +91 22 2261 1138
Email: sidhartha.routray@icicibank.com
Website: www.icicibank.com

Standard Chartered Bank

270 D.N. Road
Fort, Mumbai - 400001
Contact Person: Mr. Rajesh Malwade
Tel. : +91 22 22683831/22683832
Fax : +91 22 22096069
Email: Rajesh.Malwade@in.standardchartered.com
Website : www.standardchartered.co.in

ASTRAL POLY TECHNIK LIMITED

Refund Banker

Standard Chartered Bank
270 D.N. Road
Fort, Mumbai - 400001
Contact Person: Mr. Rajesh Malwade
Tel. : +91 22 22683831/22683832
Fax : +91 22 22096069
Email: Rajesh.Malwade@in.standardchartered.com
Website : www.standardchartered.co.in

Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as brokers to the Issue

Statutory Auditors to the Company

N. Gamadia & Co.

Chartered Accountants
407, 'Shail',
Opp. Navrangpura Telephone Exchange,
Off C. G. Road, Ellisbridge,
Ahmedabad - 380 006.
Telefax : +91-79-2643 0509 / 2644 2206
E-mail : info@ngamadia.com

Statement of Inter-Se allocation of Responsibility

Since Karvy Investor Services Ltd. is the sole LM to the Issue, it shall be responsible for all the following activities

- Capital structuring with the relative components and formalities
- Due diligence of the Company's operations / management / business plans/legal documents etc.
- Drafting and Design of Issue Document and of statutory advertisement including memorandum containing salient features of the Prospectus. Compliance with the Guidelines for Disclosure and Investor Protection and other stipulated requirements and completion of prescribed formalities with Stock Exchange, Registrar of Companies and SEBI
- Marketing of the issue, which will cover, inter alia, formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centres of holding conferences of brokers, investors etc. (iii) bankers to issue, (iv) collection centres and (v) brokers to issue, distribution of publicity and issue material including application form, prospectus and brochure, and deciding on the quantum of issue material.
- Selection of various agencies connected with issue, namely Registrars to Issue, printers and advertising agencies.
- Follow-up with bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
- The post-issue activities will involve essential follow-up steps, which must include finalisation of basis of allotment/weeding out of multiple applications, listing of instruments, demat credits and dispatch of refunds, with the various agencies connected with the work such as registrars to the issue, bankers to the issue, and the bank handling refund business.

Credit Rating

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

Grading

We have not opted for grading of the Issue.

Trustees

This being an Issue of Equity Shares, the appointment of Trustees is not required.

Monitoring Agency

There is no requirement for a monitoring agency in terms of Clause 8.17 of the SEBI Guidelines. However, we have appointed Corporation Bank as a monitoring agency for monitoring the use of the issue proceeds. The details are as follows:

Corporation Bank

Investment and International Banking Division,
15, Mittal Chambers, Nariman Point,
Mumbai 400 021

Appraising Agency

We have not appointed any independent appraising agency for appraisal of the project for which the Issue proceeds are being raised. However, Corporation Bank has sanctioned a Term Loan of Rs. 2000 Lacs to part finance the cost of expansion related to our project.

Underwriting

The Issue is not being underwritten.

ASTRAL POLY TECHNIK LIMITED

CAPITAL STRUCTURE

The share capital of our Company as on the date of filing of the Prospectus with ROC is as set forth below.

Share Capital as on the date of filing of the Prospectus	Aggregate Value at Nominal Price (Rs. in Lacs)	Aggregate Value at Issue Price (Rs. in Lacs)
A. Authorised Capital: 1,50,00,000 Equity Shares of Rs. 10/- each	1,500.00	
B. Issued, Subscribed and Paid Up Capital before the Issue: 82,67,050 Equity Shares of Rs 10/- each	826.70	
C. Present Issue to the Public in terms of the Prospectus : 29,71,000 Equity Shares of the Face Value of Rs. 10/- each as Issue to the Public	297.10	3,416.65
D. Employee Reservation Portion: (on competitive basis) 1,50,000 Equity Shares of the Face Value of Rs. 10/- each	15.00	172.50
E. Net Issue to the Public in terms of the Prospectus: 28,21,000 Equity Shares of the Face Value of Rs. 10/- each	282.10	3,244.15
F. Issued, Subscribed and Paid-Up Capital after the Issue: 1,12,38,050 Equity Shares of the Face Value of Rs. 10/- each	1,123.81	12,923.76
G. Securities Premium Account Before the Issue After the Issue		1,113.19 4,232.74

As per SEBI guidelines, a minimum of 50% of the Net Issue to the Public to be reserved for allotment to individual investors applying for Equity Shares of or for a value of not more than Rs.100,000/-	14,10,500 Equity Shares aggregating to Rs. 1622.075 Lacs constituting 50% of the Net Issue to the Public.
The remaining 50% of the Net Issue to the Public is reserved for individuals applying for Equity Shares of a value more than Rs.100,000/- and corporate bodies/ institutions etc.	14,10,500 Equity Shares aggregating to Rs. 1622.075 Lacs constituting 50% of the Net Issue to the Public.

a. Details of increase in our Authorised Share Capital, since incorporation, are as follows:

Sr. No.	Details of increase/reclassification in Authorised Share Capital	Date and type of Meeting
1	Incorporation- Rs. 1 Lac divided into 10,000 Equity Shares of Rs. 10/- each	-
2.	Increased to Rs. 100 Lacs divided into 10,00,000 Equity Shares of Rs. 10/- each	EGM held on April 15, 1998
3.	Increased to Rs. 125 Lacs divided into 12,50,000 Equity Shares of Rs. 10/- each	EGM held on August 17, 1998
4.	Increased to Rs. 200 Lacs divided into 12,50,000 Equity Shares of Rs. 10/- each and 7,50,000 Redeemable Preference Shares of Rs. 10/- each	EGM held on January 15, 2001
5.	Reclassification of Rs. 200 Lacs divided into 15,00,000 Equity Shares of Rs.10/- each and 5,00,000 Redeemable Preference Shares of Rs. 10/- each	EGM held on December 3, 2001
6.	Increased to Rs. 325 Lacs divided into 17,50,000 Equity Shares of Rs. 10/- each and 15,00,000 Redeemable Preference Shares of Rs. 10/- each	EGM held on February 25, 2002
7.	Reclassification of Rs. 325 Lacs divided into 17,00,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each	EGM held on March 25, 2003
8.	Increased to Rs. 800 Lacs divided into 64,50,000 Equity Shares of Rs. 10/- each and 15,50,000 Redeemable Preference Shares of Rs. 10/- each	EGM held on January 27, 2006
9.	Increased to Rs. 1,100 Lacs divided into 94,50,000 Equity Shares of Rs. 10/- each and 15,50,000 Redeemable Preference Shares of Rs. 10/- each	EGM held on March 27, 2006
10.	Reclassification of Rs. 1,100 Lacs divided into 1,10,00,000 Equity Shares of Rs.10/- each	EGM held on September 29, 2006
11.	Increased to Rs. 1,500 Lacs divided into 1,50,00,000 Equity Shares of Rs. 10/- each	EGM held on September 29, 2006

ASTRAL POLY TECHNIK LIMITED

Notes to Capital Structure

1. Share Capital history of our Company

The paid up Equity Share capital history is as follows :

Date of Allotment / Board Meeting	Number of Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Payment of Consideration	Reasons of Allotment of Capital	Cumulative Equity Shares	Cumulative Securities Premium (Rs.)
March 23, 1996	200	10	10	Cash	Subscribers to the MoA	200	Nil
May 20, 1998	4,94,550	10	10	Cash	Further issue to Promoters and Promoter Group	4,94,750	Nil
September 2, 1998	1,12,550	10	10	Cash	Further issue to Promoters and Promoter Group	6,07,300	Nil
October 16, 1998	82,500	10	10	Cash	Further issue to Promoters	6,89,800	Nil
January 18, 1999	78,600	10	10	Cash	Further issue to Promoters	7,68,400	Nil
March 22, 1999	71,000	10	10	Cash	Further issue to Promoters and Promoter Group	8,39,400	Nil
April 13, 1999	90,000	10	10	Cash	Further issue to Promoters	9,29,400	Nil
April 20, 1999	71,000	10	10	Cash	Further issue to Promoters	10,00,400	Nil
May 17, 1999	50,000	10	10	Cash	Further issue to Promoters	10,50,400	Nil
January 19, 2001	55,000	10	10	Cash	Further issue to Promoter Group	11,05,400	Nil
February 17, 2001	80,000	10	10	Cash	Further issue to Promoter Group	11,85,400	Nil
June 22, 2001	63,000	10	10	Cash	Further issue to Promoter Group	12,48,400	Nil
December 3, 2001	60,000	10	10	Cash	Further issue to Promoter Group	13,08,400	Nil
March 8, 2002	2,02,200	10	10	Cash	Further issue to Promoters	15,10,600	Nil
February 12, 2005	1,35,000	10	10	Cash	Further issue to Promoters	16,45,600	Nil
February 8, 2006	3,54,900	10	10	Cash	Further issue to Promoters	20,00,500	Nil
March 30, 2006	20,000	10	10	Cash	Further issue to Promoters	20,20,500	Nil

Date of Allotment / Board Meeting	Number of Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Payment of Consideration	Reasons of Allotment of Capital	Cumulative Equity Shares	Cumulative Securities Premium (Rs.)
March 31, 2006	32,32,800	10	NA		Bonus Issue	52,53,300	
March 31, 2006	3,91,085	10	70	Cash	Further issues to Promoters	56,44,385	2,34,65,100
July 31, 2006	2,56,939	10	70	Cash	Further issue to Promoters	59,01,324	3,88,81,440
August 12, 2006	9,83,554	10	NA		Bonus Issue	68,84,878	
September 23, 2006	2,21,159	10	70	Cash	Conversion of 10,58,815 Non-cumulative 6% Redeemable Preference shares and 4,89,300 Non-cumulative 9% redeemable preference shares into Equity Shares	71,06,037	5,21,50,980
September 29, 2006	4,01,530	10	10	Cash	Further issue to Promoter Group, employees of Astral, employees of Kairav Chemicals Ltd, our Promoter Group company and to advisors and consultants of our Company	75,07,567	
September 30, 2006	3,59,483	10	70	Cash	Further issue to business associates	78,67,050	7,37,19,960
January 25, 2007	4,00,000	10	104	Cash	Pre-IPO Placement to bank, corporate body and individual investors	82,67,050	11,13,19,960

Notes:

1. Bonus issue on March 31, 2006 was made by capitalizing Rs.323.28 Lacs from the General Reserve.
2. Bonus Issue on August 12, 2006 was made by capitalizing Rs.98.35 Lacs from the General Reserve.

ASTRAL POLY TECHNIK LIMITED

The Preference Share Capital history is as follows :

Details of paid up Non-Cumulative* 6% Redeemable Preference Share Capital (all the below-mentioned allotments have been made only to Specialty Process LLC, our Promoter)

Date of Allotment / Board Meeting	Number of Shares	Face Value per Preference Share (Rs.)	Issue Price per Preference Share (Rs.)	Nature of Payment of Consideration	Cumulative Number of Preference Shares	Cumulative Paid up Premium (Rs.)
January 19, 2001	3,47,250	10	10	Cash	3,47,250	Nil
March 8, 2002	2,83,200	10	10	Cash	6,30,450	Nil
June 5, 2002	29,180	10	10	Cash	6,59,630	Nil
September 9, 2002	1,44,940	10	10	Cash	8,04,570	Nil
October 21, 2002	86,630	10	10	Cash	8,91,200	Nil
January 10, 2003	86,375	10	10	Cash	9,77,575	Nil
March 29, 2003	81,240	10	10	Cash	10,58,815	Nil

Details of paid up Non-Cumulative* 9% Redeemable Preference Share Capital (all the below-mentioned allotments have been made only to Specialty Process LLC, our Promoter)

Date of Allotment / Board Meeting	Number of Shares	Face Value per Pref. Share (Rs.)	Issue Price per Pref. Share (Rs.)	Nature of Payment of Consideration	Cumulative Number of Preference Shares	Cumulative Paid up Premium (Rs.)
May 27, 2002	4,89,300	10	10	Cash	4,89,300	Nil

* At our Company's Annual General Meeting held on August 10, 2006, a resolution was passed under Section 106 of the Companies Act for altering the terms of issue of the aforesaid 6% and 9% preference shares, to make them convertible into Equity Shares. Further, the entire outstanding preference shareholding of 10,58,815 6% and 4,89,300 9% redeemable preference shares of Rs. 10/- each was resolved to be converted into 2,21,159 Equity Share of Rs. 10/- each at a premium of Rs. 60/- per Equity Share which RBI has acknowledged vide letter No. FE.AH.FID.No./1128/06.04.2134/2006-07 dated October 30, 2006. All these preference shares were held by our Promoter, Specialty Process LLC prior to their conversion.

2. Promoters Contribution and Lock-in

Sr No	Name of Promoter	Date on which Equity Shares were allotted/ transferred and made fully paid up	Number of Equity Shares	Face Value (in Rs.)	Issue/ Transfer price in Rs.	Consideration (cash, bonus, consideration other than cash)	Percentage of post-Issue paid up capital
Promoters contribution Locked-in for three years							
1.	Mr. Sandeep P. Engineer	March 31, 2006	6,00,000	10	Nil	Bonus	
		August 12, 2006	2,48,246	10	Nil	Bonus	
		Sub - Total (a)	8,48,246				7.55
2.	Mrs. Jagruti S. Engineer	March 31, 2006	412,400	10	Nil	Bonus	
		August 12, 2006	130,620	10	Nil	Bonus	
		Sub - Total (b)	543,020				4.83
3.	Mr. Nimish G. Dalal	March 31, 2006	332,000	10	Nil	Bonus	
		August 12, 2006	89,917	10	Nil	Bonus	
		Sub - Total (c)	421,917				3.75
4.	Mrs. Tarlika G. Dalal	August 12, 2006	60,000	10	Nil	Bonus	
		Sub - Total (d)	60,000				0.53
5.	Specialty Process LLC	March 31, 2006	290,000	10	Nil	Bonus	
		August 12, 2006	194,440	10	Nil	Bonus	
		Sub - Total (e)	484,440				4.31
		Total (a+b+c+d+e)	23,57,623				20.97

ASTRAL POLY TECHNIK LIMITED

Details of allotment of Equity Shares to Promoters and Promoter Group since inception :

Sr No	Name of Promoter	Date on which Equity Shares were allotted/ transferred and made fully paid up	Number of Equity Shares	Face Value (in Rs)	Issue/ Transfer price in Rs.	Consideration (cash, bonus, consideration other than cash)	Percentage of post-issue paid-up capital	Number of years Lock-in
	Promoters :							
1.	Mr. Sandeep P. Engineer	March 25, 1996	100	10	10	Cash		1
		May 20, 1998	21,200	10	10	Cash		1
		October 16, 1998	12,500	10	10	Cash		1
		January 18, 1999	11,000	10	10	Cash		1
		April 20, 1999	71,000	10	10	Cash		1
		May 17, 1999	50,000	10	10	Cash		1
		July 30, 2002	(100)	10	10	Cash		
		February 12, 2005	45,000	10	10	Cash		1
		February 28, 2006	2,54,900	10	10	Cash		1
		March 23, 2006	540	10	10	Cash		1
		March 31, 2006	1,45,824	10	NA	Bonus		1
			6,00,000	10	NA	Bonus		3
		March 31, 2006	2,77,514	10	70	Cash		1
		August 12, 2006	2,48,246	10	NA	Bonus		3
		Sub - Total (a)	17,37,724				15.46	
2.	Mrs. Jagruti S. Engineer	March 25, 1996	100	10	10	Cash		1
		May 20, 1998	500	10	10	Cash		1
		January 18, 1999	67,600	10	10	Cash		1
		July 30, 2002	(50)	10	10	Cash		1
		February 1, 2003	(400)	10	10	Cash		1
		February 12, 2005	90,000	10	10	Cash		1
		February 28, 2006	1,00,000	10	10	Cash		1
		March 31, 2006	1,13,571	10	70	Cash		1
			4,12,400	10	NA	Bonus		3
		August 12, 2006	130,620	10	NA	Bonus		3
		Sub - Total (b)	9,14,341				8.14	
3.	Mr. Nimish G. Dalal	May 20, 1998	77,500	10	10	Cash		1
		October 16, 1998	40,000	10	10	Cash		1
		April 13, 1999	90,000	10	10	Cash		1
		March 31, 2006	3,32,000	10	NA	Bonus		3
		August 12, 2006	89,917	10	NA	Bonus		3
		Sub - Total (c)	6,29,417	5.60				

Sr No	Name of Promoter	Date on which Equity Shares were allotted/ transferred and made fully paid up	Number of Equity Shares	Face Value (in Rs)	Issue/ Transfer price in Rs.	Consideration (cash, bonus, consideration other than cash)	Percentage of post-Issue paid-up capital	Number of years Lock-in
4	Mrs. Tarlika G. Dalal	May 20, 1998	82,500	10	10	Cash		1
		September 2, 1998	17,000	10	10	Cash		1
		October 16, 1998	30,000	10	10	Cash		1
		March 22, 1999	20,000	10	10	Cash		1
		March 30, 2006	20,000	10	10	Cash		1
		March 31, 2006	2,71,200	10	NA	Bonus		1
		July 31, 2006	1,30,557	10	70	Cash		1
		August 12, 2006	95,210	10	NA	Bonus		3
		Sub - Total (d)	6,66,467				5.93	
5	Specialty Process LLC	May 20, 1998	1,97,900	10	10	Cash		
		March 8, 2002	2,02,200	10	10	Cash		1
		March 31, 2006	6,40,160	10	NA	Bonus		1
		July 31, 2006	1,26,382	10	70	Cash		1
		August 12, 2006	1,94,440	10	NA	Bonus		3
		September 23, 2006*	2,21,159	10	70	Cash		1
		Sub - Total (e)	15,82,241				14.08	
	Promoter Group							
1	Mr. Bipin R. Mehta	February 1, 2003	10	10	10	Cash		1
		March 31, 2006	16	10	NA	Bonus		1
		August 12, 2006	4	10	NA	Bonus		1
		September 29, 2006	65,000	10	10	Cash		1
		Sub - Total (f)	65,030				0.58	
2	Saumya Polymers Private Limited	June 22, 2001	63,000	10	10	Cash		1
		December 3, 2001	60,000	10	10	Cash		1
		March 31, 2006	3,96,500	10	10	Cash		1
		March 31, 2006	8,31,200	10	NA	Bonus		1
		August 12, 2006	2,25,117	10	NA	Bonus		1
		Sub - Total (g)	15,75,817				14.02	
		Total (a+b+c+d+e+f+g)	71,71,037				63.81	

* Conversion of Redeemable Preference Shares into Equity Shares at a conversion price of Rs.70/-

23,57,623 Equity Shares, held by our Promoters shall be locked in for three years from the date of allotment of Equity Shares in the Issue or from date of commencement of commercial production, whichever is later. Other than that, the entire pre-Issue share capital of our Company, comprising of 59,09,427 Equity Shares, including those held by our Promoters, shall be locked in for a period of one year from the date of the allotment of Equity Shares in the Issue. Written consents, as follows, have been obtained from each of our Promoters whose shares have been included as part of Promoters contribution subject to lock-in.

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Name of Promoter	Date of Consent Letter
Mr. Sandeep P. Engineer	November 7, 2006
Mrs. Jagruti S. Engineer	November 7, 2006
Mrs. Tarlika G. Dalal	October 29, 2006
Mr. Nimish G. Dalal	November 3, 2006
Specialty Process LLC	November 3, 2006

Our promoters have brought in their contribution to the extent of not less than the specified minimum lot, being Rs.25,000/- per application from each individual and Rs.100,000/- from companies, as per the SEBI Guidelines.

Shares held by persons other than our Promoters, prior to the Issue, which are subject to lock-in as per the relevant provisions of Chapter IV of SEBI Guidelines, may be transferred to any other person holding shares which are locked in, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

Shares held by our Promoters which are locked in as per the relevant provisions of Chapter IV of the SEBI Guidelines, may be transferred to and amongst Promoters/Promoter group or to a new promoter or persons in control of the Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997, as applicable.

The Equity Shares locked-in by our Promoters are not pledged to any party. The locked-in 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, provided that pledge of shares is one of the terms of sanction of such loan.

3. Transactions in our Company's Equity Shares by the Promoter/Promoter Group and the directors of our Company or directors of the Promoter Group companies during a period of six months preceding the date of filing of the Prospectus with ROC

None of our Directors, Promoters, Promoter Group companies, Directors of our Promoter Group companies have purchased, neither have they sold any Equity Shares, during a period of six months preceding the date of filing the Prospectus with ROC.

4. Shareholding pattern of our Company prior to the Issue and post Issue:

Shareholder's Category		Pre-Issue		Post-Issue	
		No. of Shares	%age	No. of Shares	%age
A.	Promoters Holding				
	1. Promoters				
	- Indian Promoters				
	Mr. Sandeep P. Engineer	1737724	21.02%	1737724	15.46%
	Mrs. Jagruti S. Engineer	914341	11.06%	914341	8.14%
	Mrs. Tarlika G. Dalal	666467	8.06%	666467	5.93%
	- Foreign Promoters				
	Specialty Process LLC	1582241	19.14%	1582241	14.08%
	Mr. Nimish G. Dalal	629417	7.61%	629417	5.60%
	Sub-Total (1)	5530190	66.89%	5530190	49.21%
	2. Promoter Group/Persons acting in concert				
	Mr. Bipin R Mehta	65030	0.79%	65030	0.58%
	Saumya Polymers Private Limited	1575817	19.06%	1575817	14.02%
	Sub-Total (2)	1640847	19.85%	1640847	14.60%
	Sub-Total of (A)	7171037	86.74%	7171037	63.81%
B.	Non-Promoter Holding				
	1. Mutual Funds	-	-	-	-
	2. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	180000	2.18%	-	-
	3. FIIs	-	-	-	-
	Sub-Total of (B)	180000	2.18%	180000	1.60%
C.	Other Investors				
	1. Employees	267601	3.24%		
	2. Bodies Corporate	44285	0.54%		
	3. Indian Public	-			
	4. NRIs/OCBs	318785	3.86%		
	5. Others	285342	3.45%		
	Sub-Total of (C)	916013	11.08%	916013	8.15%
D.	Shares offered to Public through this Issue, including Employee Reservation Portion.	-		2971000	26.44%
	Grand Total (A+B+C+D)	8267050	100.00%	11238050	100.00%

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5. Equity shares held by the top ten shareholders:

5a. Top ten shareholders as on the date of filing the Prospectus with ROC:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of shareholding
1	Mr. Sandeep P. Engineer	17,37,724	21.02
2	Specialty Process LLC	15,82,241	19.14
3	Saumya Polymers Private Limited	15,75,817	19.06
4	Mrs. Jagruti S. Engineer	9,14,341	11.06
5	Mrs. Tarlika G. Dalal	6,66,467	8.06
6	Mr. Nimish G. Dalal	6,29,417	7.61
7	Corporation Bank	1,80,000	2.18
8	Mr. Naresh Patel	1,42,857	1.82
9	Mahendrakumar Khetshi Shah Jtly with Anilla Mahendra Shah	1,10,000	1.33
10	Mr. Navin Patel	65,928	0.84

5b. Top ten shareholders ten days prior to filing the Prospectus with ROC:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of shareholding
1	Mr. Sandeep P. Engineer	17,37,724	22.09
2	Specialty Process LLC	15,82,241	20.11
3	Saumya Polymers Private Limited	15,75,817	20.03
4	Mrs. Jagruti S. Engineer	9,14,341	11.62
5	Mrs. Tarlika G. Dalal	6,66,467	8.47
6	Mr. Nimish G. Dalal	6,29,417	8.00
7	Mr. Naresh Patel	1,42,857	1.82
8	Mr. Navin Patel	65,928	0.84
9	Mr. Bipin R Mehta	65,030	0.83
10	Mr. Mayur M. Vakil	63,500	0.81

5c. Top ten shareholders two years prior to filing the Prospectus with ROC:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of shareholding
1	Saumya Polymers Private Limited	5,19,500	34.39
2	Specialty Process LLC	4,00,100	26.45
3	Mr. Nimish G. Dalal	2,07,500	13.74
4	Mr. Sandeep P. Engineer	1,65,700	10.97
5	Mrs. Tarlika G. Dalal	1,49,500	9.90
6	Mrs. Jagruti S. Engineer	67,750	4.48
7	Mrs. Tarlika T. Patel	50	0.003
8	Mr. Niranjana T. Patel	50	0.003
9	Mrs. Pratima T. Patel	50	0.003
10	Ms. Veena S. Mehta	50	0.003
11	Mr. Sandeep P. Engineer (as Karta of HUF)	50	0.003
12	Mr. Amritlal M. Shah	50	0.003
13	Mr. Munish Patell	50	0.003

6. There are no "buy back", "stand by" or similar arrangements for purchase of Equity Shares by our Company, our Promoters, Directors, or LM for the Equity Shares offered through the Prospectus.
7. Our Company has not taken any bridge loans.
8. Equity Shares offered through the Issue shall be made fully paid up or may be forfeited within 12 months from the date of allotment of Equity Shares in the manner specified in Clause 8.6.2 of the SEBI Guidelines.
9. Our Company has 171 Shareholders as on the date of filing the Prospectus with ROC .
10. An over-subscription to the extent of 10% of the Net Issue to public can be retained for the purpose of rounding off to the nearer multiple of minimum allotment lot while finalizing the basis of allotment.
11. The draft prospectus contained a provision of 4,00,000 equity shares for Pre-IPO placement. The details of the shares placed in accordance with the same are as under:-

Sr. No.	Name of Allottee	No of Equity Shares	Issue price per Equity Share (Rs.)	Date of Issue of Equity Shares
1	Corporation Bank	1,80,000	104	January 25, 2007
2	Accord Holdings Pvt. Ltd.	30,000	104	January 25, 2007
3	Monish P. Desai jointly with Archana P. Desai	2,000	104	January 25, 2007
4	Rupal N. Desai jointly with Monish P. Desai	1,000	104	January 25, 2007
5	Pradip N. Desai (HUF)	10,000	104	January 25, 2007
6	Monish P. Desai (HUF)	1,000	104	January 25, 2007
7	Pradip N. Desai jointly with Archana Desai	10,000	104	January 25, 2007
8	Archana P. Desai jointly with Pradip N. Desai	4,000	104	January 25, 2007
9	Mansi P. Desai jointly with Pradip N. Desai	2,000	104	January 25, 2007
10	Mahendra Kumar Khetshi Shah jointly with Anilla Mahendra Shah	1,10,000	104	January 25, 2007
11	Salim Yusufali Morbiwala	50,000	104	January 25, 2007
	Total	4,00,000		

Except for the Pre-IPO Placement of upto 4,00,000 Equity Shares aggregating Rs.416 Lacs as per the above table, there would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of the Draft Prospectus with SEBI until the Equity Shares offered through the Prospectus have been listed.

12. 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 the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisitions or joint ventures, we may consider raising additional capital to fund such activity or use Equity Shares as currency for acquisition or participation in such joint ventures.
13. In the last five years, our Company has revalued its assets once i.e. in FY 2004-05. The details are as follows:

(Rs. in Lacs)

Year Ended	Particulars of Assets	Book Value	Revalued Cost	Increase/ (Decrease) in Cost
March 31, 2005	Land	84.18	205.32	121.14
March 31, 2005	Plant & Machinery	802.51	706.37	(96.14)

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14. Our Company has capitalized its reserves twice since inception and the details for the same are as follows:

Sr. No.	Financial Year	Particulars of Capitalisation of Reserves or Profit
1	2005-2006	Rs. 323.28 Lacs was capitalized from the General Reserve for issue of 32,32,800 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 5:8
2	2006-2007	Rs. 98.35 Lacs was capitalized from the General Reserve for issue of 9,83,554 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 6:1

The two successive bonus issues were made on March 31, 2006 and August 12, 2006 respectively in two different financial years. These bonus issues were made by us in order to increase the equity base of our company based on the recommendation of our banker.

15. Our Company has not made any public issue since its incorporation.
16. Our Company undertakes that at any given time, there shall be only one denomination for the Equity Shares of our Company and our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
17. As on the date of filing of the Prospectus with ROC, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
18. An investor cannot apply 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 Investors.
19. We have not issued any Equity Shares out of Revaluation Reserves or for consideration other than cash.
20. 1,50,000 Equity Shares have been reserved for allotment to the Eligible Employees on a competitive basis, subject to valid applications being received.
21. In case of under subscription in the Employee Reservation Portion, the unsubscribed portion shall be added back to any other category/categories, at the sole discretion of the LM and our Company.
22. Our Company, in accordance with provisions of Unlisted Public Companies (Preferential Allotment) Rules, 2003 and in pursuance to the resolution passed under Section 81(1A) of the Companies Act, 1956, at the Extraordinary General Meeting held on September 29, 2006, allotted 4,01,530 Equity Shares of Rs.10/- to its employees, employees of our group companies, and to consultants and advisors of our Company at par and 3,59,483 Equity Shares of Rs.10/- each at a premium of Rs.60/- per Equity Share to business associates of our Company, on Preferential basis, at the meeting of the Board held on September 29, 2006 and September 30, 2006 respectively.
23. Our Company, in accordance with provisions of Unlisted Public Companies (Preferential Allotment) Rules, 2003 and in pursuance to the resolution passed under Section 81(1A) of the Companies Act, 1956, at the Extraordinary General Meeting held on January 25, 2007 allotted 4,00,000 Equity Shares of Rs.10/- to each at a premium of Rs.94/- per Equity Share to various allottees as per details provided under note number 11 above, on Preferential basis, at the meeting of the Board held on January 25, 2007.
24. The name of the natural persons who are in control (holding 10% or more voting rights) or who are on the Board of Directors of any body corporate forming a part of the promoter group are as follows:

Company	Names
Kairav Chemicals Limited	Mr. Sandeep P. Engineer, Mr. Bipin R. Mehta and Mrs. Hansaben P. Engineer
Saumya Pharma Private Limited	Mr. Bipin R. Mehta and Mrs. Rekha B. Mehta
Saumya Polymers Private Limited	Mr. Bipin R. Mehta and Mrs. Rekha B. Mehta
Merge Systems Private Limited	Mr. Rajendra R. Shroff, Mrs. Sujal Shroff and Mrs. Shilpa Shroff.

25. The loan agreements as entered into by us contain several restrictive covenants. For details regarding the same and the consent/no-objection of our bankers for the Issue, please refer chapter titled "Restrictive Covenants in Loan Agreements" under section title "About Us" beginning on page 117 of the Prospectus.
26. As on the date of filing the Prospectus with ROC, our Company does not have any Employee Stock Option Scheme/Employee Stock Purchase Scheme.

OBJECTS OF THE ISSUE

Our Company intends to utilize the proceeds of the Issue towards the following purposes:

1. To part finance the expansion project of our existing line of business i.e CPVC pipes and fittings; Astral flowguard and Astral Corzan and PVC pipes and fittings (Aquarius) and also to finance manufacturing facilities of our upcoming products such as Astral underground systems, Astral Blazemaster fire sprinkler system and Astral SWR ;(Phase II)
2. To part finance incremental working capital requirements for our existing and upcoming line of activity;

The main objects and objects incidental or ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue.

The proposed expansion programme is aimed at increasing two kinds of capacity of the existing product line and new product lines as follows:-

1. Piping Capacity (i.e. Extrusion Capacity)
2. Fitting Capacity (i.e. Moulding Capacity)

Existing Product Lines :

- A) CPVC Pipes & Fittings (Flow Guard & Corzan)
- B) Tin Base PVC Pipes & Fitting

New Product Lines :

- C) CPVC Blaze Master
- D) PVC Under Ground System
- E) PVC (SWR) Systems

In all the above line of activities only two types of machines are required :

- 1) Extrusion Machines (For Manufacturing Various Sizes of Pipes)
- 2) Injection Moulding Machines & Moulds (For Manufacturing Various Sizes of Fittings)

Further, the existing line of activities and new line of activities will manufacture Pipes & Fittings only and machines required to manufacture these products are interchangeable. Thus Astral can manufacture CPVC / PVC / SWR / UNDER GROUND pipes & Fittings on any of the machines. Hence, based on the product demand Astral can take up the production of any of the product by using the same set of machines.

The expansion is in two phases i.e. Phase-I and Phase-II.

In view of the competitiveness of the industry segments we operate in i.e. Housing, Commercial, Retail and Industrial, we may have to revise our business plans from time to time and consequently our fund requirements may also change. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity will be met from internal accruals of our Company/term loans.

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Requirement of Funds:-

(Rs. in Lacs)

Sr. No.	Particulars	Phase-I	Phase-II	Total
1.	Factory Land	Nil	115.00	115.00
2.	New Factory Building	136.70	374.73	511.43
3.	Plant & Machinery	998.86	3422.35	4421.21
4.	Working Capital	404.98	1199.88	1604.86
5.	Issue Expenses	-	307.62	307.62
6.	Contingency	34.49	117.36	151.85
	Total	1575.03	5536.94	7111.97

Means of Finance:-

(Rs. in Lacs)

Sr. No.	Particulars	Phase-I	Phase- II	Total
1.	Equity Share Capital (Promoters and Associates, including premium)	601.26	Nil	601.26
2.	Pre- IPO Placement	-	416.00	416.00
3.	Public Issue (with premium)	-	3416.65	3416.65
4.	Term Loan - Corporation Bank	850.00	1150.00	2000.00
5.	Other Loans	-	95.00	95.00
6.	Internal Accruals*	123.77	459.29	583.06
	Total	1575.03	5536.94	7111.97

* Our internal accruals upto December 31, 2006 were Rs.587.06 Lacs and the cash accruals were Rs. 752.06 Lacs

Our Company has tied up 75% of the means of finance other than the amount to be raised through this Issue as follows:-

Phase I - An amount of Rs.601.26 lacs was raised through a Preferential Allotment and sanction for a term loan of Rs.850 lacs has been received from the bank. The balance was from internal accruals and thus the entire 100% of the means of finance for Phase I have been tied up.

Phase II - The proceeds from the Issue aggregate Rs.3416.65 lacs, an amount of Rs.416 lacs was raised through the Pre-IPO placement of 4,00,000 equity shares, sanction for a term loan of Rs.1150 lacs has been received from the bank and an amount of Rs.459.29 lacs is proposed to be met from the internal accruals generated till December 31, 2006. The balance amount of Rs.95 lacs is proposed to be met by loans from other sources and represents only 7.63% of the means of finance other than the amount to be raised through this Issue. We may not avail the other loans of Rs.95 lacs in the event of the internal accruals generated being adequate to meet the requirements.

Details of shares allotted by our Company on preferential basis is as follows:

Date of allotment	No of shares allotted	Price at which shares issued (Amount in Rs.)	Total Consideration (Rs. In Lacs)
March 30, 2006	20,000	10	2.00
March 31, 2006	3,91,085	70	273.76
July 31, 2006	2,56,939	70	179.86
September, 29 2006	4,01,530	10	40.15
September, 30 2006	1,50,698	70	105.49
Total			601.26

Details of the shares allotted by our Company on a preferential basis through a Pre-IPO placement are as under :-

Sr. No.	Name of Allottee	No of Equity Shares	Issue price per Equity Share (Rs.)	Date of Issue of Equity Shares
1	Corporation Bank	1,80,000	104	January 25, 2007
2	Accord Holdings Pvt. Ltd.	30,000	104	January 25, 2007
3	Monish P. Desai jointly with Archana P. Desai	2,000	104	January 25, 2007
4	Rupal N. Desai jointly with Monish P. Desai	1,000	104	January 25, 2007
5	Pradip N. Desai (HUF)	10,000	104	January 25, 2007
6	Monish P. Desai (HUF)	1,000	104	January 25, 2007
7	Pradip N. Desai jointly with Archana Desai	10,000	104	January 25, 2007
8	Archana P. Desai jointly with Pradip N. Desai	4,000	104	January 25, 2007
9	Mansi P. Desai jointly with Pradip N. Desai	2,000	104	January 25, 2007
10	Mahendra Kumar Khetshi Shah jointly with Anilla Mahendra Shah	1,10,000	104	January 25, 2007
11	Salim Yusufali Morbiwala	50,000	104	January 25, 2007
	Total	4,00,000		

Details about the Term Loan sanctioned by Corporation Bank:

Corporation Bank has already sanctioned two term loans aggregating to Rs.2000 Lacs. The details of the same are as follows:

I - Rs. 850 Lacs vide its sanction letter No. CDS/CSI/KGB/MC/079/2006-07 dated July 29, 2006, the proceeds of which will be utilized for Phase I of our expansion project. As per certificate of our Statutory Auditors, N.Gamadia and Co., dated October 31, 2006, the amount utilized as on this date is Rs. 239.70 Lacs.

1	Amount of Loan	Rs.850 Lacs
2	Purpose	To part finance the cost of expansion project at Santej (Gujarat) unit.
3	Margin	25% on building, plant and machinery and other fixed assets to be acquired out of the term loan (project margin 46.70%)
4	Rate of Interest	11.25% p.a subject to revision from time to time
5	Repayment Schedule	Repayable within 72 months in 20 quarterly instalments of Rs.42.50 Lacs beginning from August 17, 2007. The first disbursement was availed on August 17, 2006
6	Tenure of Loan	7 years
7	Security Offered	a. Exclusive first charge on the entire fixed assets of the company (excluding vehicles) both present and proposed building, plant and machineries and other moveable fixed assets; b. Joint and several personal guarantees of all the Indian and Non-Resident Indian directors of the Company.
8	Pre-disbursement conditions, if any	Before release of the term loan, the company has to submit the plan approved by the competent authority as well as permission for construction.
9	Disbursement	The proceeds of the term loan for machineries and other fixed assets shall be released directly to the suppliers alongwith the promoters margin.
10	Other conditions	Any cost overrun shall be met by the company from its own sources for which an undertaking is to be provided to the bank from the company.

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II - Rs. 1150 Lacs vide its sanction letter No. OR/IFB/620/2006-07 dated November 22, 2006

1	Amount of Loan	Rs.1150 Lacs
2	Purpose	To part finance the cost of expansion project at Gujarat unit and unit at Himachal Pradesh.
3	Margin	25% on building, plant and machinery and other fixed assets to be acquired out of the term loan (project margin 46.70%)
4	Rate of Interest	11.50% p.a subject to revision from time to time
5	Repayment Schedule	Repayable within 72 months in 20 quarterly instalments of Rs.57.50 Lacs commencing from twelve months after the first disbursement.
6	Tenure of Loan	7 years
7	Security Offered	a. Exclusive first charge on the entire fixed assets of the company (excluding vehicles) both present and proposed building, plant and machineries and other moveable fixed assets; b. Joint and several personal guarantees of all the Indian and Non-Resident Indian directors of the Company.
8	Other conditions	Any cost overrun shall be met by the company from its own sources for which an undertaking is to be provided to the bank from the company.

Appraisal

Our project has not been appraised by any independent authority and is based on internal management estimates. However, Corporation Bank has sanctioned Term Loan of Rs. 2000 Lacs for the proposed project.

Brief details about the project

The present Issue of Equity Shares is being made for expansion of our manufacturing facilities and production facilities for the existing product lines, at units based at Gujarat and Himachal Pradesh. Our Company is planning to add new product lines by setting up new manufacturing facilities. We also propose to leverage our existing manufacturing facilities for manufacturing new products.

The detailed cost break up of the proposed expansion activities as envisaged in the Objects of the Issue are as follows:

1. Land acquisition at Himachal Pradesh: (Rs. 115 Lacs)

Our Company has commenced its expansion activities under Phase I on its existing land. For its expansion activities for Phase II, our Company, proposes to use existing land and acquire additional land. We envisage an additional land requirement measuring 8000 sq. mtrs.at the estimated rate of Rs. 1,300 per sq. mtr.near and around its existing unit situated at Himachal Pradesh. The estimated cost of land of Rs.115 Lacs includes stamp duty and registration charges.

2. Factory building and warehouse at Gujarat: (Rs. 511.43 Lacs)

Our Company has appointed M/s. K.B. Mehta Construction Private Limited as the Civil consultants for the proposed buildings and civil works. The project envisages construction, which includes the cost of road development, boundary walls, storage yard, foundations and civil constructions of building etc. The cost estimates of different facilities are as below:

Details of the estimates of the factory building and warehouse - PHASE-I
(Rs.in Lacs)

Sr. No.	Description	Purpose	Name of Agency	Reference No.	Date	Amount
1	Civil Construction Cost	Compounding plant	K.B. Mehta Construction Private Limited	1499	June 5, 2006	8.00
2	Civil Construction Cost	Extension for extrusion	K.B. Mehta Construction Private Limited	1403	April 18, 2006	35.13
3	Civil Construction Cost	Road	K.B. Mehta Construction Private Limited	1500	June 5, 2006	25.50
4	Civil Construction Cost	Boundary wall	K.B. Mehta Construction Private Limited	1501	June 5, 2006	22.75
5	Civil Construction Cost	Extension for IMM	K.B. Mehta Construction Private Limited	1502	June 5, 2006	8.00
6	Civil Construction Cost	Resin and trading store	K.B. Mehta Construction Private Limited	Nil	May 20, 2006	33.26
	Sub-Total :					132.64
	Add : Taxes :					4.06
	Total :					136.70

Details of the estimates of the factory building and warehouse for Phase-II
(Rs. in Lacs)

Sr. No.	Description	Purpose	Name of Agency	Reference No.	Date	Amount
1	Civil Construction Cost*	Compounding plant	K.B. Mehta Construction Private Limited	1502	June 5, 2006	16.00
2	Civil Construction Cost	Road	K.B. Mehta Construction Private Limited	1506	June 5, 2006	25.50
3	Civil Construction Cost	Boundary wall	K.B. Mehta Construction Private Limited	1507	June 5, 2006	21.75
4	Civil Construction Cost	Shed for injection moulding Machines	K.B. Mehta Construction Private Limited	1508	June 5, 2006	55.00
5	Civil Construction Cost*	Resin and trading store	K.B. Mehta Construction Private Limited	Nil	May 20, 2006	66.52
6	Civil Construction Cost*	Production area with store for SWR & U/G	K.B. Mehta Construction Private Limited	1503	June 5, 2006	178.84
	Sub-Total :					363.61
	Add : Taxes :					11.13
	Total :					374.73

* Amount Considering two buildings

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Notes :

- The final cost may change depending on the actual taxes applicable at the time of completion of the work.
- 25% of the total cost comprises of the labour cost.
- Taxes added in the above table are the service tax @12.24% on the labour cost.

3. Plant & Machinery (Rs. 4,435.29 Lacs)

Plant and Machinery required for the project will be procured from indigenous sources as well as will be imported. The details are indicative and not decisive in nature. Our Company may take necessary decisions in case we receive better alternatives which may be considered to be in the interest of our Company. The detailed cost estimate on the basis of the quotations received from suppliers is given as below.

A. Plant And Machinery For Phase-I

(a) The details of Plant & Machinery for which orders have been placed are as under :-

(Rs.in Lacs)

Sr. No	Name Of Machinery	Supplier	Qty	Purchase Order No.	Expected Date Of Delivery	Amount as per purchase order
1	Socketing / Belling Machines	Vihan Engg. Pvt. Ltd.	1	POFAS 38 dtd 18/09/06	February 28, 2007	4.81
2	Air Compressor	Elgi Equipments Ltd.	1	PO/FAS 14 dtd 15/06/06	February 28, 2007	4.05
3	Auto Compounding & Mixing System ^	Neoplast Engineering Pvt. Ltd.	1	PO/FAS 31 dtd 18/07/06	February 28, 2007	161.62
4	Water Cooled Water Chiller	Reynold India Pvt. Ltd.	1	Ltr.No. APPL/CP/SS/197 dtd 14/07/06	February 28, 2007	13.72
5	Moulds for Injection Moulding Machine	Savi Tools	1 Lot	PO/FAS/058 dtd 2/12/06	April 3, 2007	156.75
6	Hoper Dryer	Prasad Koch Technik Pvt. Ltd.	2	PO/FAS/013 dtd 1/11/06	February 20, 2007	4.54
7	Mould Temperature Controller	Prasad Koch Technik Pvt. Ltd.	1	PO/FAS/014 dtd 1/11/06	February 22, 2007	1.24
8	Chain Pulley Block	Vrijsons Engineers	3	PO/FAS/061 dtd 5/12/06	February 25, 2007	1.06
9	Hydraulic Hand Pallet Truck	Trident Enterprise	2	PO/FAS/056 dtd 17/01/07	February 21, 2007	0.39
10	Weighing Scale	Sunshine Weigh Systems Pvt. Ltd.	8	PO/FAS/051 dtd 26/12/06 and PO/FAS/66 dtd 7/12/06	February 27, 2007	1.38
11	Pipe Cutting Machine	Sharpex Engineering Works	2	PO/FAS/069 dtd 7/12/06	February 25, 2007	0.68
12	Material Stacker Fork Lift	Trident Enterprise	1	PO/FAS/053 dtd 4/01/07	February 20, 2007	1.84
13	Pulverisor	United Industries	1	PO/FAS/71 dtd 9/12/06	March 8, 2007	8.65
14	Bulk Density Tester	Deepak Poly Plast Pvt. Ltd.	1	PO/FAS/077 dtd 11/12/06	March 10, 2007	0.24

Sr. No	Name Of Machinery	Supplier	Qty	Purchase Order No.	Expected Date Of Delivery	Amount as per purchase order
15	Tensile Testing Machine	Deepak Poly Plast Pvt. Ltd.	1	PO/FAS/077 dtd 11/12/06	March 10, 2007	3.46
16	Motorised Contour Cutting M/C	Deepak Poly Plast Pvt. Ltd.	1	PO/FAS/077 dtd 11/12/06	March 10, 2007	0.71
17	Templaten for dumbell	Deepak Poly Plast Pvt. Ltd.	1	PO/FAS/077 dtd 11/12/06	March 10, 2007	0.11
18	Pipe O.D. - I.D. Checking*	Sikora India	1	PO/FAS/078 dtd 11/12/06	April 10, 2007	7.29
19	D.M. Water Plant	Aqua Treat	1	PO/FAS/081 dtd 13/12/06	March 12, 2007	1.29
20	Various Inserts And Tools For Tts 88 R	Local manufacturers	1 Set	PO/FAS/016, 052 & 050 dtd 22/11/06 & 26/12/06	February 28, 2007	14.25
21	Inkjet Printer	Bhavmark Systems	2 Sets	PO/FAS/048 dtd 21/12/2006	February 19, 2007	3.85
	Sub-total (a)					391.93

Notes :-

- i ^ The estimated cost of piping of Rs. 3.70 Lacs approx. to be incurred by our Company has been included in the final cost.
- ii * In respect of these items the exchange rate of the Euro has been assumed @Rs.60/-
- iii ^^ The final cost of the machinery shown above includes customs duty, countervailing duty, education cess, special additional duty, excise duty, value added tax / central sales tax, freight, miscellaneous charges such as transportation, packing etc. as applicable.

(b) The details of Plant & Machinery which have already been purchased and delivery received are as under:- (Rs. in Lacs)

Sr. No.	Name Of Machinery	Supplier	Qty	Reference of Bill	Date of Bill	Amount
1	Extruder Machine	Neoplast Engineering Pvt. Ltd.	1	NEPL/E035 & 36/0607	July 6, 2006	62.02
2	Air Compressor	Elgi Equipments Ltd.	1	211/26000759	August 8, 2006	3.51
3	Electrification	Shree Narayan Electric	1 Lot	Various Bills	Various Dates	8.14
4	Vaccum Circuit Breaker	Pradip Powertech	1	51	August 23, 2006	4.15
5	Transformer	Skp Transformers	1	38	September 23, 2006	15.85
6	Cooling Tower	Tower Tech Cooling System Pvt. Ltd.	1	TCS/2006-07	September 30, 2006	0.70
7	Fabrication At Site For Installation	Jaiveer	1	Various Bills	Various Dates	1.45
8	Electric Power Extension	Uttar Gujarat Vij Company Ltd.	1 Lot	UGVCL/Regd/Com/19799/2852	July 17, 2006	12.69
9	D. G. Set	Super Nova Engineers Ltd.	1	646	June 24, 2006	20.65

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Sr. No.	Name Of Machinery	Supplier	Qty	Reference of Bill	Date of Bill	Amount
10	Injection Moulding M / C	Ferromatik Milacron India Ltd.	1	2702 Sales1661 INJ	October 20, 2006	50.99
11	Injection Moulding M / C	Ferromatik Milacron India Ltd.	1	2804 Sales1724 INJ	October 31, 2006	41.61
12	Inkjet Printer	Bhavmark Systems	2 Sets	0106	November 11, 2006	3.97
13	Extruder Machine with D/S & Tools	Kabra Extrusionstechnik Ltd	1	S/1660/06-07	October 31, 2006	90.67
14	Striper Printer	Mathews International Corp. (Asia) Pte. Ltd.	1	C-23886	October 31, 2006	4.60
15	Downstream And Inserts For Tts-88 R ^^	Neoplast Engineering Pvt. Ltd.	1 Set	NEPL/E185/0607 and NEPL/E195/0607	December 26, 2006 & January 1, 2007	12.61
16	Scrap Granulator	Pimco Machines Pvt. Ltd.	1	118	January 05, 2007	3.17
17	Water Cooled Water Chiller	Reynold India Pvt. Ltd.	1	122	December 08, 2006	11.69
18	Extruder Machines	Theyson Extrusionstechnik GmbH	1	26090	October 18, 2006	168.91
19	Cooling Tower^^^	Tower Tech Cooling System Pvt. Ltd.	1	TCS/220/2006-07	November 19, 2006	0.80
	Sub-total (b)					518.18

^^^ The estimated cost of pump is added to the final cost.

(c) The details of Plant & Machinery for which orders are yet to be placed are as under :-

(Rs. in Lacs)

Sr.No.	Name of Machinery	Supplier	Qty	Quotation	Date	Amount
01	Various Inserts And Tools For Tts 88 R	Local manufacturer	1 Set	Estimate Based On Quotation Recd. From Theysohn India		62.38
02	Mould Temperature Controller	Prasad Koch Technik Pvt. Ltd.	1	PGOC/J16380/2006	February 25, 2006	1.23
03	Hydraulic Hand Pallet Truck	Trident Enterprise	2	Estimate Based On Purchase order issued to Trident Enterprise		0.39
04	Air Compressor	Elgi Equipments Ltd	1	Estimate based on purchase order issued to Elgi		4.05
05	Striper Printer **	Mathews International Corpn. (Asia) Pte. Ltd.	3 Sets	Estimate based on Purchase Order issued to Mathews International		12.42
06	Striper Printer **	Mathews International Corpn. (Asia) Pte. Ltd.	1 Set	Estimate based on Purchase Order issued to Mathews International		4.14
07	Striper Printer **	Mathews International Corpn. (Asia) Pte. Ltd.	1 Set	Estimate based on Purchase Order issued to Mathews International		4.14
	Sub-total (c)					88.75

Notes :-

- i The final cost of the machinery shown above includes customs duty, countervailing duty, education cess, special additional duty, excise duty, value added tax / central sales tax, freight, miscellaneous charges such as transportation, packing etc. as applicable
- ii Quotations for a majority of the items of machinery are valid.
- iii The total amount shown in the last column indicates the total value of the respective quantities of machines to be purchased as reflected in the quantity column.
- iv ** In respect of these items the exchange rate of the US Dollar has been assumed @ Rs.46/-.

Total cost of Plant & Machinery For Phase-I (a + b+ c)	998.86
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B. Plant and Machinery for Phase-II

The details of Plant & Machinery for which orders are yet to be placed are as under : (Rs.in Lacs)

Sr. No	Name of Machinery	Supplier	Qty	Quotation	Date	Amount
1	Injection Moulding M/C 250**And^	Asian Plastic Machinery Co. Ltd.	1	AR/MU/06	January 24, 2006	31.12
2	Injection Moulding M / C 350**And^	Asian Plastic Machinery ACo. Ltd.	1	AR/MU/06	January 24, 2006	42.69
3	Socketing / Belling Machines #	Vihan Engg. Pvt. Ltd.	1	VEPL/01/06-07	June 2, 2006	10.48
4	Solvent Cement Mandrels As Per Astm D 1785 Sch 40 & 80	Vihan Engg. Pvt. Ltd.	1	VEPL/03/06-07	June 2, 2006	2.62
5	SWR Doe Ring Mandrel	Vihan Engg. Pvt. Ltd.	1	VEPL/04/06-07	June 2, 2006	3.18
6	Mixer (Model 350 Rcm 1000)	Neoplast Engineering Pvt. Ltd.	1	Nil	January 12, 2006	21.32
7	Mixer (Model 200 Rcm 400)	Neoplast Engineering Pvt. Ltd.	1	Nil	June 3, 2006	16.13
8	Eot Crane	Safex Equipments Pvt. Ltd.	1	APPL/3/5/CRANE/ DN/06/183	March 29, 2006	5.70
9	Chain Pulley Block	Vrijsons Engineers	1	VE/078/05-06	February 24, 2006	0.35
10	Hydraulic Hand Pallet Truck	Ascend Marketing	5	AM/1379/05-06	November 9, 2005	0.96
11	Weighing Scale (Model Ps 600)	Sunshine Weigh Systems Pvt. Ltd.	2	Nil	February 22, 2006	0.43
12	Weighing Scale (Model Ps 60)	Sunshine Weigh Systems Pvt. Ltd.	2	Nil	February 22, 2006	0.21
13	Weighing Scale (Model Cs-5)	Sunshine Weigh Systems Pvt. Ltd.	3	Nil	March 31, 2006	0.56
14	Weighing Scale (Model Cs-2.5)	Sunshine Weigh Systems Pvt. Ltd.	7	Nil	March 31, 2006	1.31
15	Scrap Granulator #	Pimco Machines Pvt. Ltd.	2	pimco/mcs/a/293/ 2006	May 22, 2006	5.86
16	Pipe Cutting Machine	Sharpex Engineering Works	1	SEW/2005-06/ Q1108	February 27, 2006	0.34
17	Air Compressor	Elgi Equipments Ltd.	1	Elgi/MP/05/31	May 20, 2006	7.29
18	Water Cooled Water Chiller	Reynold India Pvt. Ltd.	1	REY/AF-6637	May 23, 2006	20.32
19	D.M. Water Plant	Aqua Treat	1	AQUA/WTP/DM/ 003/06-07	April 2, 2006	1.29

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Sr. No	Name of Machinery	Supplier	Qty	Quotation	Date	Amount
20	Cooling Tower (Model No.Cir-218500)	Tower Tech Cooling Systems Pvt. Ltd.	2	TCS/QTN-106/2006-07	May 24, 2006	3.02
21	Electrification	Shree Narayan Electricals	2	NE/111/05-06	March 1, 2006	22.20
22	Electrification	Shree Narayan Electricals	2	NE/120/05-06	March 1, 2006	7.32
23	Transformer (2500 Kva)	SKP Transformers	2	SKP/QUT/71/06-07	May 12, 2006	37.20
24	Electrical Power Extension	Uttar Gujarat Vij Company Ltd.	1950 KVA	Estimated based on quotation for Phase-I		51.77
25	Extruder Machine For Foam Core Pipe*	Theysohn Extrusionstechnik Gmbh	1	PC.75003.2	November 25, 2005	376.11
26	Extruder Machine (Model No. 2-92-28v)	Kabra Extrusionstechnik Ltd.	1	KET/A/RBS327/06	June 5, 2006	95.43
27	Injection Moulding M / C (Model - Sigma 150)	Ferromatik Milacron India Ltd.	2	FMIL/APTPL/MD/45/2005	April 5, 2006	83.61
28	Injection Moulding M / C (Model - 1800/220)*	Engel Austria Gmbh	2	0038/0213	March 6, 2006	176.97
29	Injection Moulding M / C (Model :Sigma 275)	Ferromatik Milacron India Ltd.	2	FMIL/APTPL/MD/030/2006	February 27, 2006	104.84
30	Injection Moulding M / C (Model : Sigma 400)	Ferromatik Milacron India Ltd.	1	FMIL/APTPL/MD/030/2006	February 27, 2006	75.60
31	Injection Moulding M / C (Model : Sm 250)**	Asian Plastic Machinery Co. Ltd.	2	AR/MU/06	January 24, 2006	62.25
32	Injection Moulding M / C (Model : Sm 350)**	Asian Plastic Machinery Co. Ltd.	2	AR/MU/06	January 24, 2006	85.38
33	Injection Moulding M / C (Model : Sm 550)**	Asian Plastic Machinery Co. Ltd.	1	AR/MU/06	April 24, 2006	68.99
34	Moulds For Injection Moulding Machines	Savi Tools	Lot	Various Quotations	Various Dates	809.04
35	Socketing / Belling Machines (Model Vsm 160)	Vihan Engg. Pvt. Ltd.	1	VEPL/01/06-07	June 2, 2006	10.48
36	Socketing / Belling Machines (Model : Vsm 160)	Vihan Engg. Pvt. Ltd.	3	VEPL/01/06-07	June 2, 2006	31.29
37	Socketing / Belling Machines (Model : Vsm 250)	Vihan Engg. Pvt. Ltd.	1	VEPL/02/06-07	June 2, 2006	27.30
38	Solvent Cement Mandrels As (Model : Vsm 250)	Vihan Engg. Pvt. Ltd.	1	VEPL/03/06-07	June 2, 2006	2.62
39	SWR Doe Ring Mandrel	Vihan Engg. Pvt. Ltd.	1	VEPL/04/06-07	June 2, 2006	3.18
40	Mixer (Model : 350)	Neoplast Engineering Pvt. Ltd.	2	Nil	January 12, 2006	42.64
41	Mixer (Model : 200 R)^	Neoplast Engineering Pvt. Ltd.	1	Nil	January 12, 2006	16.13
42	Mixer (Auto Compound & Feeding) Model : Hsm 500	Neoplast Engineering Pvt. Ltd.	2	Nil	March 6, 2006	210.68
43	Hoper Dryer	Prasad Koch Technik Pvt Ltd.	8	PGOC/J/16379/2006	February 25, 2006	18.17

Sr. No	Name of Machinery	Supplier	Qty	Quotation	Date	Amount
44	Mould Temperature Controller (Model :300)	Prasad Koch Technik Pvt Ltd.	8	PGOC/J/16380/2006	February 25, 2006	9.88
45	Brass Washing Machine	Disha Engineers	2	DE/APQ/50/2006	May 3, 2006	12.40
46	Eot Crane (3 Ton)	Safex Equipments Pvt. Ltd.	2	APPL/3/5/CRANE/DN/06/183	March 29, 2006	11.39
47	Striper Printer**	Mathews International Corpn. (Asia) Pte Ltd.	3	PI-53596	December 12, 2005	12.42
48	Inkjet Printer	Bhavmark Systems	4	P.F.INV 003	May 23, 2006	8.22
49	Chain Pulley Block	Vrijsons Engineers	1	VE/078/05-06	February 24, 2006	0.35
50	Hydraulic Hand Pallet Truck	Ascend Marketing	2	AM/1379/05-06	November 9, 2005	0.38
51	Weighing Scale (600 Kg)	Sunshine Weigh Systems Pvt. Ltd.	3	Nil	February 22, 2006	0.65
52	Weighing Scale (60 Kg)	Sunshine Weigh Systems Pvt. Ltd.	3	Nil	February 22, 2006	0.32
53	Weighing Scale (10 Kg)	Sunshine Weigh Systems Pvt. Ltd.	3	Nil	March 31, 2006	0.56
54	Weighing Scale (2.5 Kg)	Sunshine Weigh Systems Pvt. Ltd.	2	Nil	March 31, 2006	0.37
55	Truck Weighing Machine (30000 Kg)	Sunshine Weigh Systems Pvt. Ltd.	1	Nil	March 31, 2006	5.28
56	Scrap Granulator	Pimco Machines Pvt. Ltd.	2	Pimco/mcs/a/293/2006	May 22, 2006	5.86
57	Pipe Cutting Machine	Sharpex Engineering Works	1	SEW/2005-06/Q1108	February 27, 2006	0.34
58	Drop Impact Testing (For 315 Mm Dia Pipe)	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/2006-2007/002	April 3, 2006	0.59
59	0° C Chamber	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/05-06/300	March 31, 2006	0.64
60	Opesity Tester	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/05-06/300	March 31, 2006	0.20
61	Bulk Density Tester	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/2006-2007/002	April 3, 2006	0.24
62	Tensile Testing Machine	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/05-06/245	February 6, 2006	3.46
63	Motorised Contour Cutting M/C	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/05-06/245	February 6, 2006	0.71
64	Specimen Template Suitable For Dumbell	Deepak Poly Plast Pvt. Ltd.	1	DPPPL/PCI/03/05-06/245	February 6, 2006	0.11
65	Lathe M/C With Std. Accessories (Model : Etm 410)	S & T Engineers	1	S&T/R/0120/05-2006/J	February 28, 2006	3.01
66	Milling M/C With Optional Accessories (Model : Mf2tm)	S & T Engineers	1	S&T/R/0119/05-2006/J	February 28, 2006	4.25
67	Shaping M/C	Kad Services	1	KS/060408/2006-07	April 8, 2006	1.19
68	Radial Drill M/C	Kad Services	1	KS/060408/2006-07	April 8, 2006	0.99
69	Surface Grinder M/C	Kad Services	1	KS/060408/2006-07	April 8, 2006	1.09

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Sr. No	Name of Machinery	Supplier	Qty	Quotation	Date	Amount
70	Cyll. Grinder Attc.	Kad Services	1	KS/060408/2006-07	April 8, 2006	0.10
71	Welding Machine	Kad Services	1	KS/060408/2006-07	April 8, 2006	0.36
72	Hacksaw Metal Cutting M/C	Kad Services	1	KS/060408/2006-07	April 8, 2006	0.20
73	Air Compressor	Elgi Equipments Ltd.	1	Elgi/MP/05/031	May 25, 2006	7.29
74	Water Cooled Water Chiller	Reynold India Pvt. Ltd.	1	REY/AF-6637	May 23, 2006	20.32
75	D.M. Water Plant	Aqua Treat	2	AQUA/WTP/DM/003/2006-2007	April 3, 2006	2.59
76	Cooling Tower	Tower Tech Cooling System Pvt. Ltd.	1	TCS/QTN-106/2006-07	May 24, 2006	1.51
77	Electrification	Shree Narayan Electrcals	3	NE/111/05-06	March 1, 2006	33.29
78	Electrification	Shree Narayan Electrcals	3	NE/120/05-06	March 1, 2006	10.97
79	Transformer (2500 Kva)	SKP Transformers	2	SKP/QUT/71/06-07	May 12, 2006	37.20
80	Electrical Power Extension	Uttar Gujarat Vij Company Ltd.	1500 KVA	Estimated based on quotation for Phase-I		67.50
81	D.G.Set (575 Kva)	Super Nova Engineers Ltd.	2	SEL/GUJ/HO/RS/05-06/490	February 22, 2006	59.61
82	Extruder Machine (Model : NCMT 58)	Neoplast Engineering Pvt. Ltd.	1	PO FAS 13 AND 18	March 7, 2006	77.05
83	Extruder Machine with D/S & Tools (Model : BEX 2- 90-25)	Kabra Extrusiontechnik Ltd.	1	PO FAS 5	May 3, 2006	91.15
84	Injection Moulding M/C (Model : 300 T)*	Enger Austria GmbH	1	EMS/VB-V/KM	March 6, 2006	120.52
85	Injection Moulding M/C (Model : 350 T)** and ^	Asia Plastic Machinery Co. Ltd.	2	AR/MU/06	January 24, 2006	85.38
86	Injection Moulding M/C (Model : 450 T) ** and ^	Asia Plastic Machinery Co. Ltd	1	AR/MU/05-06	March 31, 2006	56.56
87	Striper Printer (Model : 6124)**	Mathews International Corpn. (Asia) Pte Ltd.	4	PI-53596	December 5, 2005	16.56
88	Inkjet Printer (4 Line)	Bhavmark systems	4	P.F.INV 003	May 23, 2006	8.22
89	Chain Pulley Block (2 Ton)	Vrijsons Engineers	2	VE/078/05-06	February 24, 2006	0.71
90	Hydraulic Hand Pallet Truck (2 Ton)	Ascend Marketing	3	AM/1379/05-06	November 9, 2005	0.58
91	Scrap Granulator (500 mm)	Pimco Machines Pvt. Ltd.	1	Pimco/Mcs/a/293/2006	May 22, 2006	2.93
92	Pipe Cutting Machine	Sharpex Engineering Works	2	SEW/2005-06/Q1108	February 27, 2006	0.68
93	Material Stacker Fork Lift (1ton)	Sahil Enterprise	1	SE/APPL/1/06	January 2, 2006	3.37
94	Pulverisor (PKM-450)	United Industries	1	Q-001/06-07/UI/HJ	April 7, 2006	8.65
95	D.G. Set (575 KVA)	Super Nova Engineers Ltd.	1	SEL/GUJ/HO/RS/05-06/490	February 22, 2006	29.80
	Total					3422.35

Notes:

- i * In respect of these items the exchange rate of the Euro has been assumed @ Rs.60/-.
- ii ** In respect of these items the exchange rate of the US Dollar has been assumed @ Rs.46/-.
- iii ^ Additional amount has been taken into consideration towards installation and commissioning cost.
- iv # Company has paid an advance of Rs.2.04 lacs against these items.
- v The final cost of the machinery shown above includes customs duty, countervailing duty, education cess, special additional duty, excise duty, value added tax / central sales tax, freight, miscellaneous charges such as transportation, packing etc. as applicable.
- vi The total amount shown in the last column indicates the total value of the respective quantities of machines to be purchased as reflected in the quantity column.

4. Requirement of Additional Working Capital (Rs. 1604.86 Lacs)

Presently, our Company enjoys working capital credit limits as stated in the section "Financial Statements" beginning on page 118 of the Prospectus. These limits and our internal accruals are adequate to meet our existing working capital requirements. However, our Company will utilise a part of the net proceeds of the Issue to augment our long-term working capital requirements.

Our order book has grown over the last eight years. Considering the present growth rate and our proposed expansion project, the total working capital fund requirements of our Company, based on the internal workings of our management, is expected to reach Rs.4409.75 Lacs assessed as under:

(Rs. in Lacs)

Particulars	March 31, 2008 (Estimates)	March 31, 2007 (Estimates)	March 31, 2006 (Audited)
Current Assets			
Raw Material			
Indegenous	335.60	166.29	143.41
Imported	1008.59	662.33	173.37
Stock of Finished Goods	1728.24	1045.60	742.24
Sundry Debtors			
Domestic	2576.25	1550.81	940.72
Exports	50.00	37.50	9.92
Cash and Bank	391.81	154.22	118.79
Loans and Advances	100.00	200.00	74.88
Other Current Assets	246.40	222.00	129.81
Total	6436.89	4038.75	2333.14
Current Liabilities			
Sundry Creditors	839.89	746.18	466.62
Liabilities - other than bank borrowing	1187.24	832.70	523.10
Total	2027.13	1578.88	989.72
Working Capital Gap	4409.76	2459.87	1343.42
Less: Bank Finance			
(a) Existing Loan	(1350.00)	(1350.00)	(638.53)
(b) Further Loan	(750.00)	Nil	Nil
Long term working capital requirements	2309.75	1109.87	704.89
Incremental Working Capital Requirement	1199.88	404.98	

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The above working capital estimates are based on the following assumptions:

Particulars	Period in months
Raw Materials	
Imported	2 months
Indigenous	1 month
Finished Goods	2 months
Sundry Debtors	
Local Debtors	2 months
Export Debtors	3 months
Sundry Creditors	0.95 months

5. Contingencies (Rs.151.85 Lacs)

In the event of cost overruns due to any adverse change in quoted prices or for which orders have not yet been placed, time variation, unexpected price rise due to factors beyond our control, we have provided for contingencies to the extent of Rs.151.85 Lacs, to cover any such eventuality which may occur. Contingencies have been estimated to amount to approximately 3% of the capital expenditure.

Schedule of Implementation

Sr. No.	Activity	Phase-I		Phase-II	
		Expected month of commencement	Expected month of completion	Expected month of commencement	Expected month of completion
1.	Duration of the Phase	Commenced in March 2006	April 2007	March 2007	June 2008
2.	Land				
	(i) For HP Unit (Warehouse)				
	(a) Acquisition of Land	Not Applicable	Not Applicable	To be acquired	June 2007
	(b) Site Development	Not Applicable	Not Applicable	September 2007	November 2007
	(ii) For Ahmedabad Unit				
	(a) Acquisition of Land	Already acquired	Not Applicable	On existing land owned by the company	Not Applicable
	(b) Site Development	Completed	Completed	April 2007	May 2007
3.	Building				
	(i) For HP Warehouse				
	(a) Permissions	Not Applicable	Not Applicable	December 2007	January 2008
	(b) Construction	Not Applicable	Not Applicable	January 2008	March 2008
	(ii) For Ahmedabad Unit				
	(a) Permissions	Obtained	Not Applicable	April 2007	May 2007
	(b) Construction	Commenced	February 2007	June 2007	March 2008
4.	Plant & Machinery				
	(a) Placement of Orders	Commenced	February 2007	May 2007	December 2007
	(b) Delivery	Commenced	March 2007	September 2007	March 2008
	(c) Installation	Commenced	March 2007	September 2007	April 2008
5.	Trial Production	Commenced for Plant & Machinery already installed	March 2007	October 2007	May 2008
6	Commercial Production	Commenced for Plant & Machinery already installed.	Not Applicable	In phases from November 2007 to June 2008	Not Applicable
		April 2007 for machinery yet to be installed.	Not Applicable		

Expenses of the Issue

The expenses of the Issue include among others, brokerage, and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated Issue expenses are as follows:

(Rs. in Lacs)			
Particulars	Amount	As a % of the Issue size	As a % of the total issue expenses
Management fees and brokerage*	107.62	3.15	34.98
Marketing and advertisement expenses*	50.00	1.46	16.25
Stationery, printing and registrar expenses*	85.00	2.49	27.63
Others (including Registrar's fees, legal fees, fees for auditors and bankers to the issue, stamp duty, initial listing fees and annual listing fees, SEBI filing fees, other statutory fees, depository fees, and other related expenses)*	45.00	1.32	14.63
Contingencies	20.00	0.59	6.50
Total	307.62	9.00	100.00

* These are estimated expenses and the final expenses will be based on actuals.

Source And Deployment Of Funds

We have received the Sources and Deployment Funds Certificate dated January 26, 2007 from our Statutory Auditors.

Details of the sources and deployment of funds as on 15th January 2007 as per the certificate are as follows:

(Rs. in Lacs)			
Deployment of Funds	Phase I	Phase II	Total
Buildings	102.17	-	102.17
Advances for Plant & Machinery	3.00	1.20	4.20
Plant, Equipment and Machinery	518.18	-	518.18
Capital Work-in Progress	27.84	72.88	100.72
Working Capital Margin	383.03	-	383.03
Reduction in Working Capital Limits Utilised	156.23	-	156.23
Total	1190.45	74.08	1264.53

Sources of Funds	Phase I	Phase II	Total
Equity Shares (to Promoters, Employees, Associates and Advisors) including premium	601.26	-	601.26
Secured Term Loans	451.34	-	451.34
Internal Accruals	137.85	74.08	211.93
Total	1190.45	74.08	1264.53

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Details of Balance Fund Deployment

The overall cost of the proposed project and the proposed year wise break up of deployment of funds are as under:

(Rs. in Lacs)

Year	Amount
2006-07	1149.64
2007-08	2719.22
2008-09	1192.87
Total	5061.73

Interim Use of Proceeds

Pending utilization for the objects of the Issue, the same will be held in fixed deposits of scheduled commercial banks.

Monitoring of Utilization of Funds

We have appointed Corporation Bank, Investment and International Banking Division, 15, Mittal Chambers, Nariman Point, Mumbai 400021 as the monitoring agency for monitoring the use of the issue proceeds.

We will disclose the utilization of the proceeds of the Issue under a separate head in the balance sheet clearly specifying the purpose for which such proceeds have been utilized. No part of the issue proceeds will be paid by us as consideration to our Promoters, Directors and Key Managerial Personnel except in the normal course of business.

BASIC TERMS OF THE ISSUE

The present Issue is of 29,71,000 Equity Shares at a price of Rs. 115 for cash aggregating Rs. 3416.65 Lacs (hereinafter referred to as the "Issue"), including Employee Reservation of 1,50,000 Equity Shares aggregating to Rs. 172.50. The Net Issue will comprise 28,21,000 Equity Shares aggregating to Rs. 3244.15 Lacs. The Issue and the Net Issue would constitute 26.44% and 25.10% of the post Issue paid-up capital of our Company respectively.

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles, the terms of the Prospectus, Application Form and other terms and conditions as may be incorporated in the allotment advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, Registrar of Companies and/or other authorities, as in force on the date of the Issue and to the extent applicable.

ASTRAL POLY TECHNIK LIMITED

BASIS OF ISSUE PRICE

Investors should read the following summary along with the section titled "Risk Factors" beginning on page xi of the Prospectus and the details about our Company and our financial statements included in the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and you may lose all or part of your investments.

Quantitative Factors:

1. Diluted Earnings Per Share (EPS)

Year	EPS (Rs.)	Weights
Year ended March 31, 2006	7.29	3
Year ended March 31, 2005	4.58	2
Year ended March 31, 2004	5.60	1
Weighted Average	6.11	
Nine month period ended December 31, 2006, (annualized basis)	10.54	

2. Price/Earning (P/E) ratio in relation to Issue Price of Rs. 115

- Based on fiscal 2006 Diluted EPS of Rs. 7.29 is 15.77 times of the issue price.
- P/E for Industry

Supreme Industries Limited is the only other company which is comparable with the issuer company hence the industry P/E is not relevant in this case.

3. Return On Net Worth (RONW)

Year	RONW (%)	Weights
Year ended March 31, 2006	22.64	3
Year ended March 31, 2005	28.94	2
Year ended March 31, 2004	51.06	1
Weighted Average	29.48	
Nine month period ended December 31, 2006 (on annualized basis)	30.67	

4. Minimum return on increased Net Worth required to maintain pre-Issue diluted EPS

- as of March 31, 2006 of Rs.7.29 - 12.83%
- for the period ended December 31, 2006 of Rs.10.54 - 18.55%

5. Net Asset Value per share (NAV)

Year	NAV (Rs.)
As at March 31, 2006	27.06
After Issue at Issue Price	56.82
Issue Price per Equity Share	115.00
As at December 31, 2006	32.44

6. Comparison with industry peers

The comparable ratios of the companies which are to some extent similar in business are as given below:

Name of the Company	Face Value of Equity Shares (Rs.)	Market Price as on 24/01/2007 (Rs.)	EPS (Rs.)	P/E Ratio	RONW (%)	NAV (Rs.)
Astral Poly Technik Ltd.	10	NA	7.29	NA	22.64	27.06
Peer Group						
Supreme Industries Ltd.	10	209.65	8.60	25.30	12.76	71.40

Source: Capitaline

As stated in 2(b) above, Supreme Industries Limited is the only other company which is comparable with the issuer company and hence it is not possible to provide a domestic industry comparison in relation to the Company.

UPONOR

Uponor is a Finland based leading international supplier of plumbing and heating systems for the residential and commercial building markets. In Europe, Uponor is also a prominent regional supplier of municipal infrastructure pipe systems. Uponor's core competence areas are radiant underfloor-heating and tap water systems within housing solutions and the gravity business in particular within infrastructure and environment.

Period	Dec-03	Dec-04	Dec-05
Shares Outstanding	74.09	74.82	74.38
Total Shareholders' Equity	470.90	397.00	418.40
Sales	1,021.00	1,026.90	1,031.40
Profit After Tax	1.60	88.40	82.70
EPS	0.02	1.19	1.12
Book Value Per Share	6.34	5.31	5.63
ROE (%)	0.32	20.39	20.28
PE (x)	581.40	16.01	16.09

Currency: In Euro (Millions)

Source: Bloomberg as on January 24, 2006

7. Equity Shares are being issued at an Issue Price of Rs. 115 per Equity Share. The face value of the Equity Shares is Rs.10/-. The Issue Price is 11.5times of the face value.
8. The LM believes that the Issue Price of Rs. 115 is justified in view of the above qualitative and quantitative parameters. See the section titled "Risk Factors" beginning on page xi of the Prospectus and the financials of our Company including important profitability and return ratios, as set out in the Auditors Report on financial statements on page 118 of the Prospectus to have a more informed view.

Qualitative Factors:

- **Wider range of products and services**
 - a. **"Astral"** brand, known for its innovative properties of its CPVC/PVC products;
 - b. **"FlowGuard"** products used for CPVC plumbing applications;
 - c. **"Corzan"** products used for industrial applications;
 - d. **"BlazeMaster"** products for CPVC fire sprinkler systems;
 - e. **"Spears"** CPVC and PVC fittings, flanges and valves;

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- f. **"IPS"** CPVC and PVC solvent cement;
- g. **"Hunter"** underground speciality PVC fittings and valves;
- h. **"Harvell"** CPVC and PVC plastic pipes for use in a broad range of pressurized fluid handling systems.

- ***Business tie-ups with International Players***

- a. Sole Distributors in India, since 1999, of Spears Manufacturing Company, USA, manufacturers of CPVC/PVC fittings, flanges and valves;
- b. Exclusive distributors in India, of IPSC, for CPVC/PVC solvent cements;
- c. Distributors in India for Hunter Plastics Ltd, U.K., a producer of under ground specialty fittings;
- d. Distributors in India for Harvell Plastics Inc., USA, a manufacturer of high quality CPVC and PVC plastic pipes for use in a broad range of pressurized fluid handling systems
- e. Licensees of Noveon (formerly B.F. Goodrich Company) in India and neighbouring countries for the use of the trademarks **"BlazeMaster"**, **"FlowGuard"** and **"Corzan"**;
- f. Technical and engineering support for development of CPVC and related products for applications in fire sprinkler, plumbing and industrial systems with Noveon (formerly B.F. Goodrich Company);
- g. Techno-financial joint venture with Specialty Process LLC; For further details refer to the chapter "History and other corporate matters" under the section titled "About Us" beginning on page 97 of the Prospectus.

- ***Firm and wide marketing and distributor/dealership network in India***

Our Company has made firm arrangements for marketing and distributing our products to extensively cater to domestic markets through a nationwide network of distributors/dealers. Presently, we have more than 142 distributors and over 1500 dealers covering the territories of the entire country.

- ***ISO Certification***

Our Company has received an ISO-9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping systems.

- ***Competitive Pricing***

Our Company's manufacturing facility at Barotiwala-Solan District (H.P) enjoys certain tax benefits/concessions, relating to duties of Sales Tax, Excise and Income Tax, resulting in a reduction in the overall cost of production, which enables us to price our products at competitive rates in comparison with our industry peers.

- ***Use of raw materials approved by the NSF***

Our Company's products are made out of "NSF" approved raw materials thereby making our products the preferred choice for end-users of our products.

STATEMENT OF TAX BENEFITS

To,

The Board of Director
Astral Polytechnik Limited
901, Parshwa Tower
Sarkhej-Gandhinagar Highway,
Ahmedabad - 380 054

We hereby report that the enclosed annexure states the possible tax benefits available to **Astral Polytechnik Limited** (the "Company") and its shareholders under the current tax laws presently in force in India as **amended by the Finance Act, 2006**. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed below 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:

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

The contents of this annexure are based on information/explanations, relevant documents as produced before us and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

For, N. Gamadia & Co.
Chartered Accountants

Sd/-
Nilesh Gupta
PARTNER
M. NO.100426

Place : Ahmedabad
Date : 18th October, 2006

ASTRAL POLY TECHNIK LIMITED

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO ASTRAL POLYTECHNIK LIMITED (the "Company") AND ITS SHAREHOLDERS

(A) BENEFITS AVAILABLE UNDER THE INCOME-TAX ACT, 1961 (THE 'ACT')

I. TO THE COMPANY

1) Exemption under SECTION 80IC:

The Company is eligible for deduction under section 80IC of the Act in respect of the profits and gains derived from the business of manufacturing of any article or thing not being any article or thing specified in thirteenth schedule in the area notified by the central government. On complying with the conditions specified in the said section, the Company will be eligible for deduction of one hundred percent of such profits & gains for five assessment years commencing with the initial assessment year and thereafter thirty percent for next five assessment years.

2) Exemption under Section 10(23G)

In accordance with and subject to the provisions of section 10(23G) of the Act, the Company will be eligible to claim exemption on any income by way of dividends (other than dividends exempt under section 10(34) of the Act), interest or long-term capital gains from investments made by way of shares or long - term finance in specified enterprise, wholly engaged in specified business or projects and which have been approved by the Central Government.

3) Depreciation under Section 32

In accordance with and subject to the provisions of section 32 of the Income tax Act, the company will be allowed to claim depreciation on specified tangible and intangible assets as per the rates specified. Besides normal depreciation, the company, in terms of section 32(1)(ia), shall be entitled to claim depreciation @ 20% of actual cost on new plant and machinery acquired after 31st March, 2005.

4) Preliminary Expenses under Section 35D

In accordance with and subject to the provisions of section 35D of the Income tax Act, the company will be entitled to amortize, over a period of five years, all expenditure in connection with the proposed public issue subject to the overall limit specified in the said section.

5) Dividends exempt under Section 10(34)

Dividends (whether interim or final) declared, distributed or paid by any Indian Company are exempt in the hands of Company as per the provisions of Section 10(34) of the Act.

6) Lower Tax rate under Section 112 on Long term Capital gains

As per the provisions of Section 112 of the Act, long-term gains that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

7) Lower Tax rate under Section 111A on short term Capital gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to Securities Transaction tax ("STT") shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

8) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares or units of an equity-oriented fund where the transaction of sale is chargeable to STT shall be exempt from tax. However, income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB.

9) Exemption of Long term capital gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

10) Exemption of Long term capital gain under Section 54ED

According to the provisions of section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising from transfer of long term assets, being listed securities or units shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition). Eligible issue of share capital has been defined as an issue of equity shares which satisfies the following conditions:

- i. the issue is made by a public company formed and registered in India; and
- ii. the shares forming part of the issue are offered for subscription to the public.

However, if the above specified shares are sold or otherwise transferred within a period of one year from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the shares are sold or otherwise transferred.

II. TO RESIDENT SHAREHOLDERS

1) Dividends exempt under Section 10(34)

Dividends (whether interim or final) declared, distributed or paid by the Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

2) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to STT shall be exempt from tax.

3) Lower Tax rate under Section 112 on Long term Capital gains

As per the provisions of Section 112 of the Act, long term gains as computed above that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

4) Lower Tax rate under Section 111A on Short term Capital gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

5) Exemption of capital gain from income tax under section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares or units of an equity-oriented fund where the transaction of sale is chargeable to STT shall be exempt from tax.

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6) Exemption of Long term capital gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money. Where the benefit of section 54EC has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

7) Exemption of Long term capital gain under Section 54ED

According to the provisions of section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising from transfer of long term assets, being listed securities or units shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition). Eligible issue of share capital has been defined as an issue of equity shares which satisfies the following conditions:

- i. the issue is made by a public company formed and registered in India; and
- ii. the shares forming part of the issue are offered for subscription to the public.

However, if the above specified shares are sold or otherwise transferred within a period of one year from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the shares are sold or otherwise transferred.

- iii. The issue of shares by the Company being an eligible issue of share capital, the subscribers thereto would be eligible to claim the exemption granted under section 54ED.
- iv. Where the benefit of section 54ED has been availed of on investments in the equity shares forming part of an eligible issue of share capital, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

8) Exemption of Long term capital gain under Section 54F

According to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a Hindu Undivided Family ('HUF'), gains arising on transfer of a long term capital asset (not being a residential house), other than gains exempt under section 10(38), are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

9) Rebate under section 88E

Section 88E provides that where the total income of a person includes income chargeable under the head "Profits and gains of business or profession" arising from purchase or sale of an equity share in a company entered into in a recognised stock exchange, i.e., from taxable securities transactions, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

III. TO NON-RESIDENT INDIAN SHAREHOLDERS

1) Dividends exempt under Section 10(34)

Dividends (whether interim or final) declared, distributed or paid by the Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

2) Lower Tax rate under Section 112 on Long term Capital gains

In case investment is made in Indian rupees, the long-term capital gain is to be computed after indexing the cost. According to the provisions of Section 112 of the Act, long term gains as computed above that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

3) Lower Tax rate under Section 111A on Short Term Capital Gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

4) Options available under the Act

Where shares have been subscribed to in convertible foreign exchange - Option of taxation under Chapter XII-A of the Act:

Non-Resident Indians [as defined in Section 115C(e) of the Act], being shareholders of an Indian Company, have the option of being governed by the provisions of Chapter XII-A of the Act, which inter alia entitles them to the following benefits in respect of income from shares of an Indian company acquired, purchased or subscribed to in convertible foreign exchange:

- i. According to the provisions of section 115D read with Section 115E of the Act and subject to the conditions specified therein, long term capital gains arising on transfer of an Indian company's shares, will be subject to tax at the rate of 10 percent (plus applicable surcharge and education cess), without indexation benefit.
- ii. According to the provisions of section 115F of the Act and subject to the conditions specified therein, gains arising on transfer of a long term capital asset being shares in an Indian company shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in Section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer. Further, if the specified asset or savings certificate in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.
- iii. As per the provisions of Section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under Section 139(1) of the Act, if their only source of income is income from investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.
- iv. Under Section 115H of the Act, where the 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 provisions of the 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.

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- v. As per the provisions of Section 115 I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

5) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be exempt from tax.

6) Exemption of Long term capital gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money. Where the benefit of section 54EC has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

7) Exemption of Long term capital gain under Section 54ED

According to the provisions of section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising from transfer of long term assets, being listed securities or units shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition). Eligible issue of share capital has been defined as an issue of equity shares which satisfies the following conditions:

- i. the issue is made by a public company formed and registered in India; and
- ii. the shares forming part of the issue are offered for subscription to the public.

However, if the above specified shares are sold or otherwise transferred within a period of one year from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the shares are sold or otherwise transferred. The issue of shares by the Company being an eligible issue of share capital, the subscribers thereto would be eligible to claim the exemption granted under section 54ED.

- iii. Where the benefit of section 54ED has been availed of on investments in the equity shares forming part of an eligible issue of share capital, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

8) Exemption of Long term capital gain under Section 54F

According to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a HUF, gains arising on transfer of a long term capital asset (not being a residential house), other than gains exempt under section 10(38), are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

9) Rebate under section 88E

Section 88E provides that where the total income of a person includes income chargeable under the head "Profits and gains of business or profession" arising from purchase or sale of an equity share in a company entered into in a recognised stock exchange, i.e., from taxable securities transactions, he shall get rebate

equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

10) Tax Treaty benefits

A non-resident investor 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.

IV. TO OTHER NON-RESIDENTS

1) Dividends exempt under Section 10(34)

Dividends (whether interim or final) declared, distributed or paid by the Company are exempt in the hands of shareholders as per the provisions of Section 10(34) of the Act.

2) Lower Tax rate under Section 112 on Long term Capital gains

In case investment is made in Indian rupees, the long-term capital gain is to be computed after indexing the cost. As per the provisions of Section 112 of the Act, long-term gains that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

3) Lower Tax rate under Section 111A on Short Term Capital Gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

4) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be exempt from tax.

5) Exemption of Long term capital gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising to the assessee on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer.

However, if the assessee transfers or converts the notified bonds into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money. Where the benefit of section 54EC has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

6) Exemption of Long term capital gain under Section 54ED

According to the provisions of section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising from transfer of long term assets, being listed securities or units shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition). Eligible issue of share capital has been defined as an issue of equity shares which satisfies the following conditions:

- i. the issue is made by a public company formed and registered in India; and

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- ii. the shares forming part of the issue are offered for subscription to the public.

However, if the above specified shares are sold or otherwise transferred within a period of one year from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the shares are sold or otherwise transferred.

- iii. Where the benefit of section 54ED has been availed of on investments in the equity shares forming part of an eligible issue of share capital, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

7) Exemption of Long term capital gain under Section 54F

According to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a HUF, gains arising on transfer of a long term capital asset (not being a residential house), other than gains exempt under section 10(38), are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accrued as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

8) Rebate under section 88E

Section 88E provides that where the total income of a person includes income chargeable under the head, "Profits and gains of business or profession" arising from purchase or sale of an equity share in a company entered into in a recognised stock exchange, i.e., from taxable securities transactions, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

9) Tax Treaty benefits

A non-resident investor 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.

V. TO FOREIGN INSTITUTIONAL INVESTORS ('FIIs')

1) Dividends exempt under section 10(34)

Dividends (whether interim or final) declared, distributed or paid by the Company are exempt in the hands of shareholders as per the provisions of section 10(34) of the Act.

2) Benefits on taxability of capital gains

As per the provisions of section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under section 10(38) of the Act at the following rates:

Nature of income	Rate of tax (%)
Long term capital gains	10
Short term capital gains	30

The above tax rates would be increased by the applicable surcharge and education cess. The benefits of indexation and foreign currency fluctuation protection as provided by Section 48 of the Act are not available to FIIs. According to Section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

3) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of shares where the transaction of sale is chargeable to STT shall be exempt from tax.

4) Exemption of Long term capital gain under Section 54ED

As per the provisions of Section 54ED of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising from transfer of long term assets, being listed securities or units shall not be chargeable to tax to the extent such gains are invested in acquiring equity shares forming part of an "eligible issue of share capital" within six months from the date of transfer of the long term assets (provided they are not transferred within one year of acquisition).

Eligible issue of share capital has been defined as an issue of equity shares which satisfies the following conditions:

- i. the issue is made by a public company formed and registered in India; and
- ii. the shares forming part of the issue are offered for subscription to the public.

However, if the above specified shares are sold or otherwise transferred within a period of one year from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the shares are sold or otherwise transferred.

5) Rebate under section 88E

Section 88E provides that where the total income of a person includes income chargeable under the head "Profits and gains of business or profession" arising from purchase or sale of an equity share in a company entered into in a recognised stock exchange, i.e., from taxable securities transactions, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

6) Tax Treaty benefits

A non-resident investor 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.

VI. TO APPROVED INFRASTRUCTURE CAPITAL FUNDS / COMPANIES/ CO-OPERATIVE BANKS

1) Dividends exempt under section 10(34)

Dividends (whether interim or final) declared, distributed or paid by the Company are exempt in the hands of shareholders as per the provisions of section 10(34) of the Act.

2) Exemption of Long term capital gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of shares where the transaction of sale is chargeable to STT shall be exempt from tax.

VII. TO MUTUAL FUNDS

Exemption of Income under Section 10(23D)

As per the provisions of Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India would be exempt from income tax, subject to the conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

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(B) BENEFITS AVAILABLE UNDER THE WEALTH-TAX ACT, 1957.

Exemption from Wealth Tax

Asset as defined under Section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares are not liable to wealth tax.

(C) BENEFITS AVAILABLE UNDER THE GIFT-TAX ACT, 1958.

Exemption from Gift Tax

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares will not attract gift tax.

The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares. The statements made above are based on the tax laws in force and as interpreted by the relevant taxation authorities as of date. Investors are advised to consult their tax advisors with respect to the tax consequences of the purchase, ownership and disposal of equity shares.

**For N. Gamadia & Co.
Chartered Accountants**

**Sd/-
Nilesh Gupta
PARTNER
M. NO.100426**

**Place : Ahmedabad
Date : 18th October, 2006**

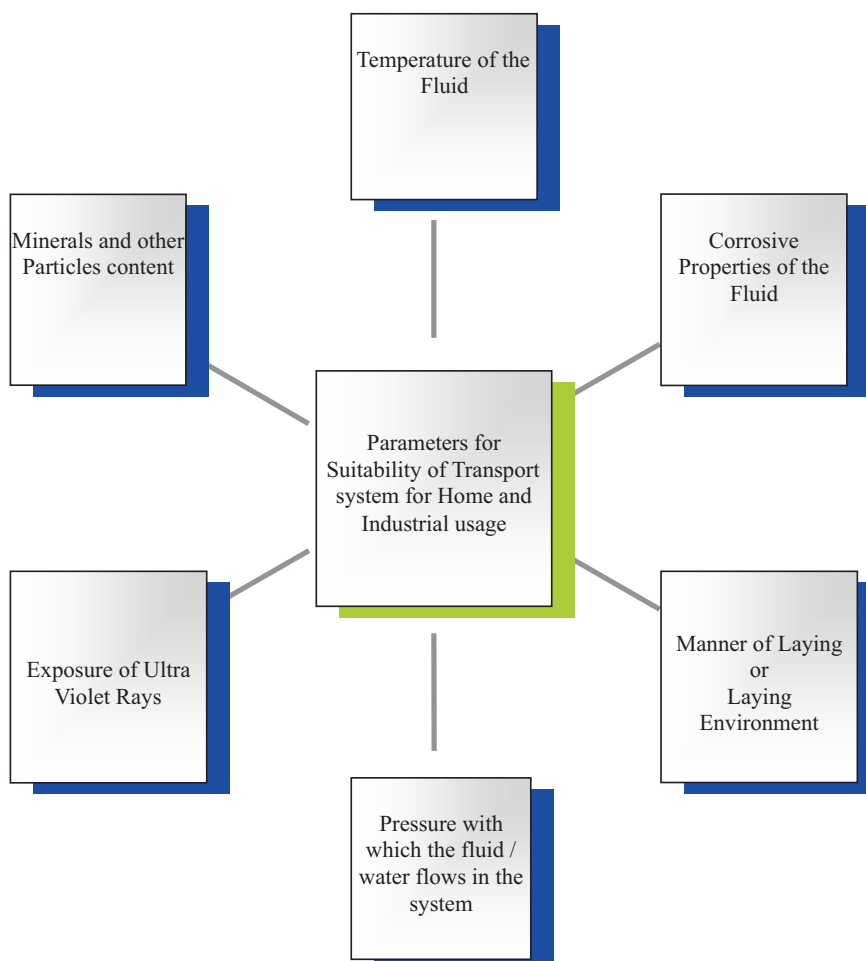
SECTION IV : ABOUT US

INDUSTRY OVERVIEW

Piping and Plumbing Industry

We are in the piping and plumbing industry with an aim to provide solutions to retain the purity levels of liquids from the point of its origin to the point of its consumption. The demand for water and its use whether on account of residential, agricultural or industrial consumption, has increased with growing population. Till a few years ago, liquid transportation facilities in developing countries brought forth images of corroded surfaces, leaking pipes and damp walls due to the usage of GI pipes, copper pipes, etc. which were susceptible to extreme conditions of temperature, pressure and corrosive properties of the water passing through these pipes. As against the developed countries that have addressed the issue, developing countries like India are gradually addressing the issue by providing hygienic solutions. Every fluid including water has different characteristics, chemical properties, impact on human life and other matters in which it comes in contact with. It is very important that during the course of its transportation, it retains its purity contents and key characteristics for its intended application. This brought about the need for an alternative solution in the form of PVC pipes. Progressing further, the industry realized that there was scope for further improvement in the features of the existing PVC products, thereby resulting in the introduction of Chlorinated PVC (CPVC) products in India.

Parameters for Suitability of Water Transport System for Home and Industrial usage



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Temperature of the Fluid: The material of the water / fluid transport system should be suitable to the temperature at which the fluid flows inside of it. e.g. PVC can not withstand the temperature of more than 55°C, whereas CPVC can carry liquid upto 93°C in temperature.

Corrosive Properties: GI and CI are highly susceptible to corrosion. Even plain water tends to corrode them over a relatively shorter period of time (3 to 5 years). They are unsuitable to carry any corrosive chemicals or gases. Copper is similarly susceptible to corrosive properties as compared to Plastic. PVC and CPVC are highly resistant to corrosion of all kinds. High resistance to corrosion and capability to withstand higher temperature, renders CPVC suitable for industrial usage.

Laying Environment: Laying environment refers to whether the system is stand alone or it becomes integral part of other construction. All concealed systems are integral part of other construction. In such cases, the strength of joints and life of system have greater bearings as compared to the similar properties of an exposed stand alone system. The extent and implications of damage arising out of leakage or malfunction of system results into huge losses as it results into rebuilding or reconstruction. GI is exposed to higher risk due to its property of weak joints, scaling, rusting, risk of leakage and malfunction as result thereof.

Pressure of Flowing Fluids: The fluids flow with varying pressure for different applications requiring different type of material for transport system. In a high-rise building, the water distributed from over head tank flows with much higher pressure (4 to 10 Bars) as compared to a single storeyed building. Similarly, the water flows with pressure created by Electro mechanical pressure system in any residential, commercial, hospital or Hospitality buildings. CPVC system has better capability to withstand the pressure as compared to PVC, GI etc.

Exposure of UV: It refers to the exposure of system to Ultra violet Rays (UV) (emanating from sunlight). If the system is concealed in the walls, it is not exposed to UV, however, external system is exposed to UV. CPVC and GI can withstand UV better than PVC.

Minerals and other particles: Mineral and other particle contents vary from place to place even when the system is used for water for home consumption. India generally deals with hard water. Even the treated water some times carry high amount of particles and minerals. Such particles and minerals have tendency to get deposited on the inside surface of the system and over a period of time chokes the system. Such deposits are called scaling. The susceptibility of the system to scaling depends on the properties of the material and porosity on inside walls. Whereas , GI is highly porous and hence subject to scaling, CPVC is scaling resistant material and provides much better protection against this threat.

Types of Piping and Plumbing Material

Usage of traditional material such as Galvanized Iron for transportation of water for home and commercial consumption , PVC for irrigation and other application, Cast Iron and ceramic for drainage and rain water application, FRP and stainless steel for transportation of corrosive chemicals, gases in industrial application are highly prevalent in India primarily because of their cost effectiveness and secondarily because of sheer ignorance to the developments in other parts of the world. Most of these materials have either become obsolete due to better alternatives or banned due to their hazardous properties, in developed countries of America and Europe.

GI System : Old, conventional and the most widely used material. It can withstand very high pressures of water. Problems associated with this system are corrosion, scale formation and heavy weight. The pipe is cut and threaded to fit the job. Joints are made by placing a small amount of pipe joint compound on the pipe threads and screwing on the fitting.

Copper : Another conventional material. The major advantages of the system are no scaling, easy to join but it is bad conductor of heat and lead is used in joints which is extremely unhygienic.

The western world traditionally used Copper, GI and Ceramics for all these applications in 19th Century. However, continuous investment in research could develop some improved alternatives for their home and industry requirements in first half of 20th century. B F Goodrich Company, USA, was one of the leading players in the development of such technology called CPVC (Chlorinated Poly Vinyl Chloride).

India - Total Pipe Demand

In 2002, demand for pipes in India totalled 291 million meters, representing the third largest market in the Asia/Pacific region. Over the past decade, sales gains in India have exceeded both regional and global averages -- rising an average of 4.6 percent annually from 1992 to 2002, though the pace of increase has slowed somewhat in recent years. Pipe

suppliers have benefited from economic reforms that have attracted investment capital into the nation, helping to stimulate industrialization-related and infrastructure construction activity. Nevertheless, Indian pipe demand (on both a per capita basis and relative to GDP) is well below regional and world averages. Construction constitutes the largest market for pipe in India, accounting for about two-thirds of total pipe demand. India has more hectares of irrigated land than any other country. Although practices such as flood irrigation are still common in India, the use of irrigation pipe is substantial, boosting agricultural pipe demand. A modest amount of crude oil and natural gas production in the country generates energy-related pipe use.

(Source: The Freedonia Group World Plastic Pipe report dated October 1, 2003)

Demand for pipe in India is forecast to increase 5.5 percent annually to 380 million meters in 2007, an acceleration from the 1997-2002 period and above projected growth for the Asia/Pacific region as a whole. Market gains will be fueled by both ongoing industrialization and government efforts to expand and upgrade the nation's physical infrastructure, which remains highly underdeveloped. For example, India has the second largest road network in the world behind the US, but much of it remains unpaved, with approximately 45 percent of the villages lacking roads suitable for motorized traffic. Major construction projects include India's first hydro power plant (expected to be completed in 2006) and a new airport in Bangalore (scheduled for completion in 2005). Pipe demand will be limited to some extent by greater competition for funding from foreign investors as the pace of economic growth -- and construction activity -- picks up throughout the region. **(Source: The Freedonia Group World Plastic Pipe report dated October 1, 2003)**

India - Macroeconomic Trends & Total Pipe Demand 1992-2012

Item	1992	1997	2002	2007	2012
Population (millions)	875	957	1036	1110	1184
GDP/capita	1450	1800	2160	2680	3330
Gross Domestic Prdt (bil US 1998\$)	1265	1721	2240	2975	3945
% of GDP	22.0	22.4	22.6	23.2	24.2
Gross Fixed Invest (bil US 1998\$)	278.7	385.0	505.9	690.0	955.0
persons per household	5.5	5.4	5.3	5.0	4.8
Households (millions)	160.4	176.3	196.4	221.2	245.7
meters/capita	0.2	0.3	0.3	0.3	0.4
meters/000\$ GDP	0.15	0.15	0.13	0.13	0.13
meters/000\$ GFI	0.66	0.65	0.58	0.55	0.52
meters/household	1.2	1.4	1.5	1.7	2.0
Total Pipe Demand (mil meters)	185	252	291	380	500
Construction	122	166	194	265	360
Energy	18	27	31	37	49
Agriculture & Other	45	59	66	78	91

(Source: The Freedonia Group World Plastic Pipe report dated October 1, 2003)

Plastic Pipe Industry

India comprised a 101 million meter market for plastic pipe in 2002. Although demand is actually quite low in per capita terms and lags most other countries as a share of GDP and fixed investment, it has been among the fastest growing in the region since 1992. Advances have resulted from the advent of economic reforms in the early 1990s, in tandem with expansion of the country's manufacturing sectors. Moreover, although India is home to several large cities (e.g., New Delhi, Bombay), over 70 percent of the population continued to live in rural areas in 2002, a further drag on potential development of plastic pipe markets in the country.

Demand for plastic pipe in India is projected to rise 6.0 percent per annum through 2007 to 135 million meters. In terms of weight, demand for plastic pipe in India is expected to reach 284,000 metric tons in 2007 on annual gains of 6.0

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percent. Polyvinyl chloride is the leading plastic resin in use for pipe in India, with demand of 165,000 metric tons in 2002. Demand for PVC pipe is expected to increase 5.4 percent per year to 215,000 metric tons, resulting from use in water delivery, sewage and drainage installations. HDPE is expected to have the best gains through 2007, reaching 42,000 metric tons, due in part to use in optical fiber cable networks.

(Source: The Freedonia Group World Plastic Pipe report dated October 1, 2003)

India - Plastic Pipe Demand 1992-2012

Item	1992	1997	2002	2007	2012
Total Pipe Demand (mil meters)	185	252	291	380	500
% plastic	29.7	30.6	34.7	35.5	37.0
Plastic Pipe Demand (mil meters)	55	77	101	135	185
kg/meter	2.00	2.04	2.10	2.10	2.14
Plastic Pipe Demand (000 m tons)	110	157	212	284	395
PVC	86	123	165	215	285
HDPE	12	18	27	42	70
Other	12	16	20	27	40

(Source: The Freedonia Group World Plastic Pipe report dated October 1, 2003)

Growth of PVC / CPVC Plastic Piping and Plumbing Industry in India

The PVC pipes industry in India is divided between organized sector and unorganized sector. The main demand for pipes emanates from the agriculture, which takes up approximately 70% of output while the rest comes from other industries. However, the demand from the construction sector comprising sanitation and plumbing systems is building up rapidly. The growth in the demand for real estate for urban housing, commercial segment and retail as detailed under is an indicator of the potential for derived demand for the piping and plumbing applications / requirements of these buildings.

Urban Housing

House construction activity has been on an upswing for the past 5 years aided by the easy availability of housing finance and favourable tax regime. According to CRIS INFAC, housing will continue to demonstrate robust growth over the next five years helped by rising penetration of housing finance and favourable tax incentives. In its Annual Review of the Housing Sector, January 2006, CRIS INFAC has looked at three aspects of this growth: the rise in the number of houses, the increase in the floor space area and the rise in spending on housing.

Growth in housing stock in UPNS segment

CRIS INFAC estimates that there were 39.4million houses in the UPNS segment in 2003-04, up from an estimated 31.2 million in 1993-94, a growth of 2.5 per cent CAGR. This is expected to reach 50.2 million by 2009-10, growing at a CAGR of 4.1 per cent.

Table showing the growth in UPNS households

	2004-05	2005-06	2009-10	CAGR : 2004-05 to 2009-10
Households in UPNS segment	41083	42783	50150	4.10%

(Note: Figures are in thousands)(Source: CRIS INFAC)

The growth in housing stock in the UPNS is driven by

1. Growth in population and urbanization
2. Faster growth in urban households as a result of nuclearisation and reduction of average size of households
3. Conversion from slum, *katcha* or *semi-pucca* in urban areas to *pucca* non-slums (driven by income)

Increase in Floor Space Area

According to CRIS INFAC estimates based on NSSO Report No 429, the total FSA in the UPNS segment in 1993-94 was 1,727 million square metres in 2002-2003, indicating a CAGR of 5.14 per cent. The total FSA in the UPNS Segment is estimated to have grown at a CAGR of 5.4 per cent between 2002-03 and 2004-5. It is expected that the total FSA will continue to grow at 5.3 per cent over 2005-2010 period. **(Source: CRIS INFAC)**

The growth in FSA is a function of the growth in households in the UPNS segment and the average FSA of a house. The average FSA of a house itself is a function of the per capita FSA and the ASHH.

Table showing the growth in FSA in the UPNS Segment

	2004-05	2005-06	2009-10	CAGR : 2004-05 to 2009-10
ASHH	4.45	4.43	4.32	-0.50%
Per Capita FSA(sq meters)	16.2	16.5	17.8	1.50%
Per Household FSA (sq meters)	72.2	73.1	76.90	1.00%
Total FSA (million sq metres)	3012	3176	3912	4.30%

(Source : CRIS INFAC)

Forecast of total spending

The total spending on housing in the UPNS segment is estimated at Rs 1,718 billion for 2004-05. This is expected to grow at a CAGR of 18.6 per cent to Rs. 4,034 billion by 2009-10. The formal sector is estimated to account for 72.6 per cent of the housing expenditure in 2004-05, significantly higher than the estimated 33-36 per cent in 2001-02. This share is expected to further increase to 78.5 per cent by 2009-10. **(Source: CRIS INFAC)**

The informal sector was estimated to account for 64-66 per cent of new houses in 2001-02. According to CRIS INFAC, this share has declined to 27.4 per cent in 2004-05, and is expected to decline further to 21.5 per cent by 2009-10. The increase in share of the formal sector is chiefly due to high penetration of housing finance, which predominantly finances readymade houses. **(Source: CRIS INFAC)**

The overall housing spending in the UPNS segment is a function of the housing budgets of the home buyers and the number of new houses being constructed each year in that segment. After having estimated the new houses in the UPNS segment, we estimate the number of houses in the formal sector and the informal sector and the housing budgets for each by income categories. The housing budgets themselves are influenced by housing finance, inflation and upgrading to more expensive amenities. It is also expected that the overall reported spending would increase, adding further boost to the reported growth in housing.

Table on Housing Expenditure

Demand for housing in value	2004-05	2005-06	2009-10	CAGR: 2005-06 to 2009-10
Spending in formal sector	1,247	1,566	3,167	19.30%
Spending in the informal sector	471	531	866	13.00%
Total housing expenditure	1,718	2,097	4,034	17.80%

(Source: CRIS INFAC) (Note: Above figures are in Rs. Billion)

The Commercial Segment

The commercial real estate market in India has continuously been evolving in response to a number of changes in the business environment. The IT/ ITES/ BPO sectors have been the drivers of the commercial real estate demand in the country. Large space requirements by the IT/ ITES sector has led to real estate growth being spread beyond the chief business locations to the suburban and peripheral locations of major cities. As a result, locations such as Whitefield in Bangalore, Gurgaon and Noida in Delhi, Madhapur and Gachibowli in Hyderabad, Old Mahabalipuram in Chennai and scattered pockets of Mumbai such as Malad, Andheri-Kurla, Powai and Navi Mumbai have become popular in the last four to five years. Apart from this, IT/BPO/ITES are fast spreading to Tier II and Tier III cities of India, such as Pune, Ahmedabad, Amritsar, Chandigarh, Indore, Trivendrum, Bhubneshwar etc. Infrastructure coming up in Aviation sector,

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SEZs, Sea Ports, Agri-products chain, Retail chains, distribution, warehousing and logistics is also contributing to the huge demand growth in this sector.

The Retail Segment

Over the previous 10 years, urbanisation has increased at a CAGR of 2%. The boom witnesses in the service sector in India in the recent years, has not only pushed up the disposable income of the urban populace, but has also made them more brand conscious. This increase in disposable income coupled with more brand consciousness results in higher sale of branded goods.

Malls in India

As per a study carried out by Images Research, the number of malls in India is expected to rise substantially. From 25 operational malls in 2003, the country is expecting to have over 220 malls by 2006, estimated space is approx. 40 million sq.ft. The total space in the six A-Grade cities Delhi (including Gurgaon and Noida), Mumbai, Bangalore, Hyderabad, Chennai and Kolkata is expected to increase to over 21.1 million by 2005. Add to this the expected supply in the key seven B-Grade cities - Pune, Ahmedabad, Lucknow, Ludhiana, Jaipur, Chandigarh and Indore in the same duration, and the grand total comes to about 26.2 million sq.ft. The National Capital Region (NCR) Delhi, Gurgaon, Noida, Greater Noida and Faridabad will account for over 40% of this total.

Most retailers are aggressively expanding operations in the large Delhi market, made all the more alluring by the upcoming suburban locations and their real-estate advantage. A large number of developers are exploring the potential of mall developments. While the peripheral business district of Gurgaon currently dominates the organised retail real estate segment in the city. The next two years will see the "localization" of the mall segment, with all major parts of the city slated to have at least one major mall development. However, it is the suburb of Noida that is expected to have the largest retail development in the country. Over 1.5 million sq.ft. of retail space will be developed in phases, combined with an amusement park spread across more than 140 acres. **(Source : Images Research)**

NCR also has a fair share of specialty malls, including an auto mall and a mall dedicated to gold and jewellery retailing.

Mumbai will have the second highest quantum of mall space in the country, with close to 4.8 million sq.ft. scheduled to be operational by 2005-06. Primarily, most of the suburbs south of Andheri have been refurbishments of existing industrial property, with some splattering of limited new developments. Quite a few entertainment-related re-developments are also taking place in the mill areas of Lower Parel. Retail property developments in most of the northern and eastern suburbs comprise of greenfield developments, apart from a few reconfigured industrial properties. The Tardeo-Lower Parel (mill district) area accounts for about a fifth of the total supply, largely on account of the large format refurbishment of mill property.

The next two years will also witness Bangalore crossing the 2 million sq.ft. mark in the mall segment. Currently the city has only one operational mall that can be considered as Grade 'A' quality, over 1,00,000 sq.ft. at Leela Galleria. However, with the scheduled completion of major projects by 2005-06, Bangalore is slated to become the leader in the organised retail real estate segment in South India. In the overall A-Grade city pie, the share of Bangalore will increase from 1% in 2003 to 10% over the following two years. Kolkata and Hyderabad are relatively new entrants in the mall segment, but are witnessing quick growth in this segment. **(Source : Images Research)**

Out of the total 5.23 million sq.ft. mall space being developed in the B-Grade cities, over 40% is coming up in Pune. This is not surprising considering the city has the presence of a large number of organised retailers as well as the highest number of SEC-A households among the B-Grade lot. A growing IT/ITES sector and the proximity to Mumbai have helped too. Ahmedabad and Lucknow are second in league, with both registering an expected supply of over 1 million sq.ft. of space.

Mall growth is happening at a rapid pace in Jaipur as well, with the city expecting over 6,65,000 sq.ft. of space. Long established on tourist itineraries, Jaipur boasts a large concentration of the hospitality sector. According to Rajasthan Tourism Development Corporation (RTDC), there are 121 registered hotels in Jaipur apart from various unregistered ones. The growth of retail, too, is mainly led by the tourism factor in the city, on an upward swirl because of high domestic and foreign tourist population. Most of the prime retail hubs are located at M.I Road, Ronk Road, C. Scheme and Malviya Nagar.

Ludhiana, on the other hand, has been a relatively restrained participant in the mall stakes, though the city does have a few interesting projects lined up.

(Source : Images Research)

The estimates released at the end of September 2006 by the Central Statistical Organisation (CSO) point to an upswing in domestic economic activity. Real GDP growth during the first quarter of 2006-07 is placed at 8.9 per cent as against 8.5 per cent in the corresponding quarter a year ago. Real GDP growth originating in agriculture, industry and services sectors was 3.4 per cent, 9.7 per cent and 10.5 per cent, respectively, as against 3.4 per cent, 9.5 per cent and 10.1 per cent in the first quarter of 2005-06.

Available information indicates that this early acceleration of growth has been sustained in the second quarter (July-September) of 2006-07. Industrial output has picked up momentum, supported by favourable demand conditions, resilient business confidence and strong corporate profitability. The index of industrial production (IIP) increased by 10.6 per cent during April-August 2006 as against 8.7 per cent a year ago. Manufacturing has been the engine of industrial growth, rising by 11.8 per cent (9.6 per cent a year ago), the highest since 1996-97. The acceleration in manufacturing activity was led by basic metals and alloys, non-metallic mineral products, machinery and transport equipment, textile products and basic chemicals and products. The use-based classification indicates a firming up of investment demand as reflected in an increase of 18.6 per cent (13.8 per cent) in capital goods production.

As per current indications, real GDP originating in agriculture is poised to maintain trend growth of 3.0 per cent. The overall industrial outlook has improved in relation to the assessment made in July and services sector growth is expected to sustain its momentum. Overall, for policy purposes, the forecast for GDP growth may be placed at around 8.0 per cent during 2006-07 as compared with the range of 7.5-8.0 per cent projected in the Annual Policy Statement and the First Quarter Review.

(Source : www.rbi.org.in - Mid-Term review of the Annual Credit Policy for the year 2006-07).

The data given above relating to the demand for pipes in India, growth potential in real estate and the growth potential in the malls segment are in line with the mid-term review of the annual policy for the year 2006-07 by RBI which indicates that the real GDP growth during the first quarter of 2006-07 is placed at 8.9 per cent. It also states that as per the current indications, the forecast for GDP growth may be placed at around 8 per cent during 2006-07. We believe that the growth in the economy will also help the industry in which we operate to reap the benefits of the same. Similarly, we also believe that the GDP growth in the industrial sector will translate in the increase in demand for our products having industrial applications.

OUR BUSINESS

Business Overview

We are a manufacturer and provider of CPVC piping and plumbing systems in India since 1999. We are the first licensee of Noveon, USA (formerly known as Specialty Chemical Division of B.F Goodrich, USA) to manufacture and market CPVC piping and plumbing system in India. In order to strengthen our business plans, we entered into a techno-financial joint venture with Specialty Process LLC of USA, which provided us the required technical expertise for manufacturing our CPVC pipes and fittings for home and industrial application.

Over the years, we have expanded and enhanced our product lines to provide continually improved services to our customers. As a manufacturer of CPVC pipes and fittings for hot and cold water, industrial and pressure systems application, we had introduced a new product range in lead free PVC pressure pipes and fittings in the year 2004. With a concept of providing a one-stop source for all the plastic piping systems, we also began trading in products such as CPVC and PVC fittings, flanges and valves from Spears (USA), solvent cements (adhesive solutions) for joining pipes and fittings from IPSC (USA), underground specialty fittings from Hunter (U.K) and CPVC and PVC plastic pipes of a larger diameter from Harvell Inc. (USA)

Our Company has its production facilities at Gujarat and Himachal Pradesh to manufacture plumbing systems from ½" to 8" diameter. Our products include CPVC pipes and fittings for hot and cold water plumbing systems, CPVC industrial piping system for transportation of hazardous and highly corrosive chemicals, lead free PVC systems for cold water application.

Innovative product designs and improvements, new technologies, and a fully integrated manufacturing system are all a part of ASTRAL's ongoing commitment to Quality, Satisfaction and Service.

Our Company has received an ISO 9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping system. The raw material used by us for manufacturing CPVC products is certified by National Sanitary Foundation (NSF).

Objective of our Company

It is the policy and objective of our Company to produce a superior quality product suitable for its intended use with regard to functionality, structural integrity, and conformance to established industrial standards and practices. It is the commitment of our Company to meet these objectives in a manner, which provides consistency of product quality, optimum availability and superior customer service, while maintaining efficiency of operations and profitability necessary to perpetuate product improvement and customer satisfaction.

Location of the Project

As mentioned above, our Company is having its existing plants located in Gujarat and Himachal Pradesh. We plan to further expand the manufacturing capacities at both our existing units. In order to facilitate the proposed expansion, our Company intends to utilize our existing premises and also to acquire additional land in Himachal Pradesh. For further details on land acquisition refer to chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

Plant and Machinery

The details of Plant and Machinery at the two production facilities are as under:-

Plant in Gujarat - this is our first manufacturing facility. A major portion of our production of "**Astral Aquarius**" PVC pipes is undertaken at this plant, due to close proximity with our major suppliers of raw material for this product. viz. Reliance Industries Limited and IPCL which are also situated in Gujarat. This facilitates us to cut down on our transportation costs. Our other products such as CPVC Pipes and some of CPVC/PVC fittings are also manufactured at this facility.

The plant and machinery installed at our Gujarat plant comprise of Extrusion machines, Injection Moulding Machines and laboratory and other equipments such as Hydrostatic Machine, Drop Impact Tester etc.

Plant in Himachal Pradesh (HP) - Manufacturing and commercial activities at this facility were commenced in April 2005. At this facility, we produce fittings and CPVC pipes of different dimensions keeping in mind the demand for the products. Our Himachal Pradesh unit enjoys various tax concessions granted by the Central Government and the Government of Himachal Pradesh for development of industrial units in the region. Resultantly, our Company is benefited by an overall reduction in our cost of production.

The plant and machinery installed at our Himachal Pradesh unit comprises of Extrusion machines, Injection Moulding Machines and laboratory and other equipments.

For details of the plant and machinery proposed to be installed for the new project refer to the chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

Technology

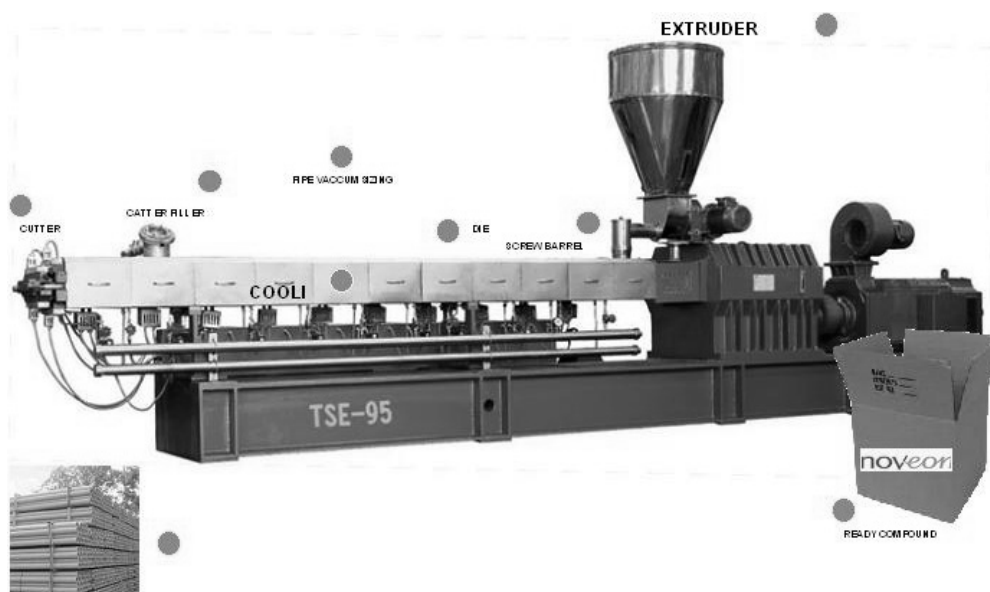
CPVC Technology - CPVC Resin technology is patented by B. F. Goodrich of USA, which has been taken over by Noveon. This technology enables enrichment of the chlorine content in PVC by chlorination. This modifies some of the root characteristics of the polymer and results in an altogether new range of polymer called CPVC. The characteristics like tensile strength, capability to withstand high-pressure, impact strength, capability to withstand high temperature; anti-flaming characteristics etc. make CPVC very different from other plastics. The density and viscosity of the material is increased substantially but yet it is capable of extruding and moulding like PVC.

Tin Based - Lead Free PVC - is a chemical compound prepared by us, being a result of our in-house research and development. Presently most of the PVC pipes available in India are made of lead based compounds. This tends to render them unhygienic for applications, which involve direct or indirect human consumption. World Health Organisation has also prescribed lead free systems for transportation of potable water. We have developed a lead free compound and introduced the same through our plumbing solutions under our brand name of "**Astral Aquarius**".

We have also invested in testing and quality assurance facilities. Most of the testing and laboratory equipment are imported from USA and a very strict quality assurance regime is being followed at both the production facilities. We have a full-fledged quality control laboratory at both our plants for testing our finished products. The tests are carried out using equipment like drop impact tester, flattening tester, burst pressure tester, opacity and many other standard specific testing equipments.

Process

Process Flow for manufacturing CPVC/PVC Pipes



ASTRAL POLY TECHNIK LIMITED

CPVC Pipes

Extrusion Process

CPVC pipes are made by the process called extrusion. CPVC compound is obtained as dry powder from Noveon as a raw material. This dry powder is fed to the doser feeder of extruder via hopper loader. The hopper loader is at the top of the extruder and automatically charges the CPVC powder to the doser feeder. From the doser feeder, the CPVC powder goes to the screw barrel which is specially designed for the CPVC compound and contains different zones. Passing through all these zones, dry powder gets converted into melt form. This melt, which is a cohesive mass of CPVC powder, is then passed through the die zone of extruder. This zone contains units like adapter, restrictor, spider, bushing and pin. All these units vary according to the different sizes of pipes. Passing through all these units, the melt acquires enough mass and appropriate shape for the pipe to be produced. All these parts of extruder, right from the doser feeder to the bushing and pin, are kept at different pre-determined temperatures that produce enough heat for the CPVC compound.

The CPVC melt known as extrudate comes out from the die zone and passes through the vacuum tank. This vacuum gives a circular shape to the pipe. Spray nozzels are connected to this tank, to cool the extrudate for making it rigid and solid. The pipe is then passed through the puller. The puller pulls the pipe coming out from the die zone of the extruder and is responsible for the extrudate speed. This speed can be varied to set the wall thickness of the pipe as per the required standard. The pipe from this puller is then passed through the last downstream equipment, which is a chop saw or a saw cutter. The saw cutter cuts the pipe to the required appropriate length and then the pipe is supplied to the packing unit for the packing.

PVC pipes

Compounding Process (Preparation of Raw Material)

PVC resin is fed into high-speed mixture equipment. Stabilizers, plasticizers, additives, processing aids, lubricants, fillers, UV inhibitors, are added as per necessary requirements. A predetermined process temperature is set and the process starts and within 10 minutes this process is completed. Due to the heat generated in this process, the moisture evaporates and the resin is then transferred to the cooler mixture for mixing it with the cooling compound. Thereafter the material is transferred to the Sylo and as per the requirement it is transferred from Sylo to extrusion machine for processing.

Extrusion Process

The extrusion process for the manufacture of PVC pipes is identical to the extrusion process for manufacture of CPVC pipes, which has been detailed hereinabove under CPVC Pipes.

Process Flow for manufacturing CPVC/PVC Fittings

CPVC Fittings

Injection Moulding process

CPVC fittings are made by the process called Injection Moulding. CPVC compound is received in granular form. These granules are fed to the hopper loader, which is kept at temperature of around 82°C, to evaporate the moisture from powder. The hopper loader is at the top of the injection-moulding machine and automatically charges the CPVC granules to the screw barrel of the machine. The screw is specially designed for the CPVC compound and contains different zones. On passing through all these zones, the granules melt due to the sheer energy and heat. This melt, which is a cohesive mass of CPVC granules, is then injected in the cavities. These cavities are fitted in the mould base and the mould base is directly attached to the injection-moulding machine. Cooling connections are given in the cavities, which cool down the CPVC melt in the cavity. Now the melt becomes proper solid structure, which is called fitting. Size and type of fittings are obtained as per the cavity fitted in the mould. There are different moulds for different fittings. Cooling time, Pack Pressure, Injection Pressure, Speed of injection etc. are the important parameters to control the injection moulding process and can be altered as per the requirement to get the desired quality of fittings.

Now, the CPVC fittings are ejected from the cavities through ejector system of injection moulding machine. These fittings are separated according to the size and type of the fittings and packed as per the predetermined quantity in the bags, which are supplied to the stores department.

PVC Fittings

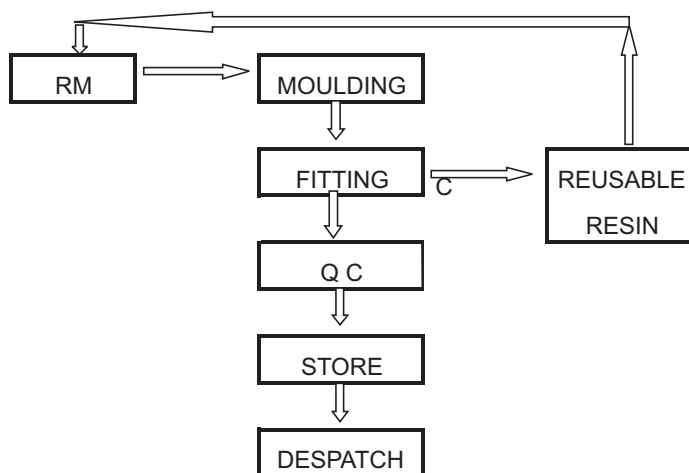
Compounding process

PVC resin is fed into high-speed mixture equipment. Stabilizers, plasticizers, additives, processing aids, lubricants, fillers, UV inhibitors, are added as per necessary requirements. A predetermined process temperature is set and the process starts and within 10 minutes this process is completed. Due to the heat generated in this process, the moisture evaporates and the resin is then transferred to the cooler mixture for mixing it with the cooling compound. Thereafter the material is transferred to Injection-Moulding machine for processing.

Injection Moulding process

The injection moulding process for the manufacture of PVC fittings is identical to the manufacturing of CPVC fittings, which has been detailed hereinabove under CPVC moulding process.

A diagrammatic representation of the process is given below



Collaborations

Our company has various collaborations, details of which are as follows :

Collaborators	Nature of Collaboration	Place of Registration of collaborator	Year of incorporation of collaborator	Paid up share capital in Fiscal 2005	Turnover for Fiscal 2005
Specialty Process LLC	Techno-Financial	USA	1997	USD 4,16,755	USD 9,205
Noveon, USA	Technical	USA	#	#	#

Not applicable as it was taken over by Lubrizol in the year 2004.

Infrastructure Facilities and Utilities

Raw Material

There are two major raw materials required in the products manufactured by us. They are CPVC and PVC. We import CPVC from Noveon, USA. The pricing of CPVC is generally done on a year-to-year basis and hence the cost of CPVC raw material is stable. PVC is generally purchased from Reliance Industries Limited from their Gujarat plant. Apart from that we require some chemicals, which are easily available, locally both in Gujarat and Himachal Pradesh.

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Power

The details of our power requirements are as follows:

Details	Sanctioned Load in KVA	Connected Load in KVA	Requirement in KVA
Existing Business			
Gujarat	350	298	298
Himachal Pradesh	698	665	665
Phase I			
Gujarat	350	297	297
Himachal Pradesh	100	100	100
Phase II			
Gujarat	NIL	NIL	3450
Himachal Pradesh	NIL	NIL	NIL

Our Company shall apply for the additional power connection for phase - II of the expansion project based on our requirements as per our schedule of implementation. We also have DG sets as stand by arrangement for the power requirement at both the units.

Water

Our production process does not require much water. The water requirements in both the plants are met through borewells on the land and through water recycling.

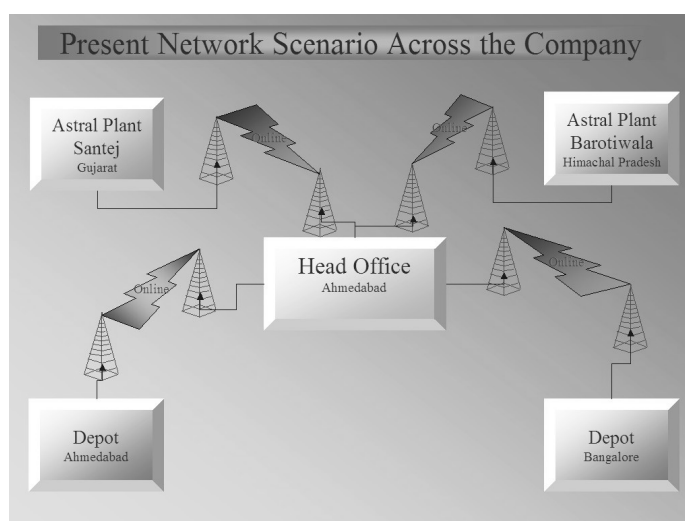
Labour

The skilled, semi skilled and unskilled labour required for the current facilities are sourced from the local areas where units of our Company are situated and the labour force are abundantly available.

Effluents

Our CPVC and PVC manufacturing process produces negligible quantities of scrap. CPVC and PVC are recyclable thermoplastic material, without loss of properties. PVC pipe can also be recycled after field installation and application.

ERP System - We have a full-fledged ERP application running which has acted as a Catalyst in our growth. The Application Caters Right From Procurement, Production, Order Processing, Dispatch to Finance with a Central Database at our Headquarter.



ERP at Astral attempts to seamlessly integrate all department and functions across our Company onto a single computer system that can serve all those different department's particular needs.

We have implemented ERP application so that

- Our Company can have on-line real-time information throughout all the functional areas of an organization.
- Data standardization and accuracy across the enterprise
- "Best-practices" included in the application.
- Analysis and reporting that can be used for long-term planning.

The functions that the ERP handles are:

- Marketing functions
- Sales functions including order booking and dispatch
- Purchase functions
- Production functions
- Finance functions
- Communication functions

Products

Present Product Portfolio of our company	Our International Tie ups for Trading Products	Upcoming Products of our Company
<ol style="list-style-type: none"> Astral FlowGuard CPVC system Astral Corzan CPVC Industrial Piping System "Astral Aquarius"Lead Free PVC Plumbing system 	<ol style="list-style-type: none"> Solvent Cement from IPS Corporation USA Underground Fittings from Hunter Plastic Limited UK Marketing of CPVC Fittings, flanges and valves from Spears manufacturing company - USA Distributors of PVC/CPVC pipes of higher dimension pipes from Harvell - USA 	<ol style="list-style-type: none"> Astral Underground system Astral BlazeMaster Fire Sprinkler System Sewage, Waste and Rain Water Management System (SWR) Acrylonitrile Butadiene Styrene (ABS) pressure pipes and fittings.

Present Product Portfolio of our company

● Astral FlowGuard CPVC Plumbing system

Astral FlowGuard - FlowGuard is the registered trademark of Noveon IP holding Corp. Its essential feature is that it can be used for hot and cold water distribution effectively and is being used in the United States of America since 1960. We entered into an agreement with Noveon on September 29, 1998 to manufacture and market FlowGuard brand. Astral FlowGuard CPVC pipes and fittings are made from the speciality plastic, chemically known as Chlorinated Poly Vinyl Chloride (CPVC).

To broaden and enhance our product line we entered into an agreement with Noveon on September 29, 1998 to manufacture and market "**FlowGuard**" (registered trademark of Noveon) brand in hot and cold water distribution systems. Astral CPVC is a Hot and Cold Potable Water Distribution System made of chlorinated polyvinyl chloride (CPVC) for use in single and multi-family homes, apartments, high-rises, hotel/motels and commercial installations. FlowGuard™ CPVC has been used for hot and cold water distribution in the United States since 1960. We manufacture CPVC in Copper Tube Size (CTS) from 1/2" to 2" and in Iron Pipe Size (IPS) Sch 40 and Sch 80 from 2-1/2" to 8" with a full range of fittings including solvent cement fittings, specialty transition fittings and valves.

With features such as combining performance, durability, reliability, safety and cost savings Astral FlowGuard CPVC pipes

ASTRAL POLY TECHNIK LIMITED

presents another option over metal or any other alternative plastic systems. CPVC plumbing systems are approved for contact with potable water in wide range of countries including USA, UK, Canada, Germany, France, Netherlands and Middle East among others.

Pipes are produced in Copper Tube Size [CTS] from ½" to 2" with two different standard dimensional ratios - SDR 11 and 13.5. The fittings are produced as per SDR 11. All the Astral CPVC pipes and fittings in SDR 11 and SDR 13.5 are made from the identical CPVC compound having the same physical properties. Pipes and fittings are produced as per SDR 11 meet the requirement of ASTM D2846 where as the pipes produced with SDR 13.5 meet the requirement derived from ASTM F 442, specific to CPVC in Iron Pipe Size [IPS] dimension, which also can be applied to CPVC pipes in Copper Tube Size [CTS] dimension. Astral also produces FlowGuard pipes in Iron Pipe Size [IPS] from 2½" to 6" which meet the requirements of SCH 40 and SCH 80 of ASTM F 441.

Few Advantages of Astral CPVC over other Thermoplastics :-

1. TOUGH, RIGID MATERIAL

CPVC has a much higher strength/modulus than other thermoplastics used in plumbing applications (see figure 1).

This means that CPVC:

- Needs less hangers and supports.
- There is no unsightly "looping" of the pipe (see figure 2).
- Is suitable for vertical risers.
- Has a higher pressure bearing capability.

This leads to the same flow rate with a smaller pipe size (see figure 3).

Figure 1: Tensile strength

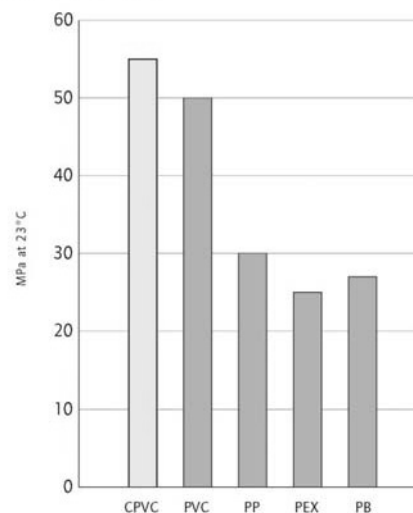


Figure 2

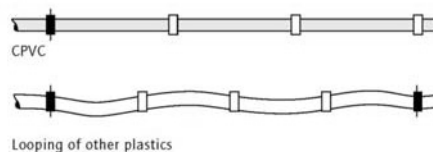
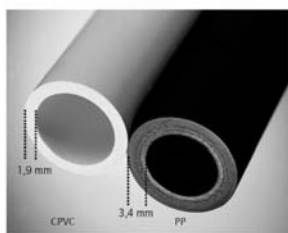


Figure 3



Ref. DIN 8077, 8079
PN20, 20 mm diameter
Wall thickness:
CPVC: 1,9 mm
PP: 3,4 mm

2. EASY, COST EFFECTIVE INSTALLATION

CPVC uses a simple, solvent cement jointing method. Tools required are very simple and inexpensive (chamfering tool and pipe cutter only) and avoid the need for an electrical source.



3. NO CORROSION FROM OXYGEN PERMEATION

CPVC forms a natural barrier to oxygen. Thus there is no corrosion of metal components in the water heater from oxygen permeation.

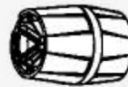
Installation is easy in tight, confined or inaccessible places. Fittings are also made from CPVC avoiding the need for alternative materials (e.g expensive brass fittings used with some alternative systems). The basic installation procedure is the same as that for PVC - known and used by virtually all plumbers.

ALL YOU NEED IS:

1. Pipe cutter



2. Chamfering tool



3. Solvent cement



4. FIRE SAFETY

CPVC has a Limiting Oxygen Index (LOI) of 60. Thus in air CPVC does not support combustion. No flaming drips, does not increase the fire load, low flame spread, low smoke generation (see figure 4, 5, 6 and 7).

Figure 4: CPVC

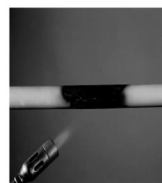


Figure 5: Other Plastics



Initially when torch is applied

Figure 6: CPVC

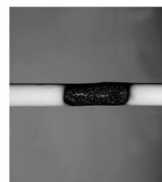


Figure 7: Other Plastics



After torch is removed, other plastics continue to burn

5. REDUCED ADDITIVE MIGRATION INTO WATER SUPPLY

To prevent oxidation, some alternative plastics require high levels of antioxidants. These may leach into the water supply, causing bad odour and taste problems.

6. UNAFFECTED BY CHLORINE IN THE WATER SUPPLY

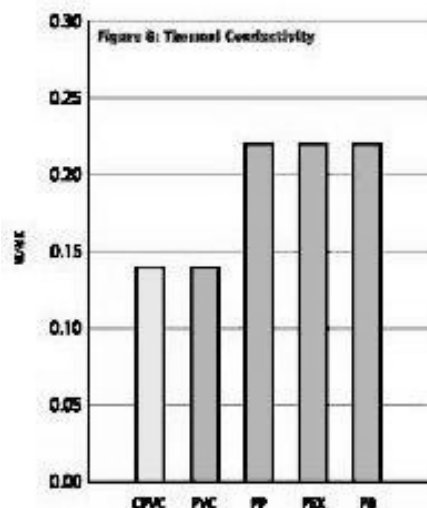
Some materials may be adversely affected by chlorine contained in the water supply, which can cause breakdown of the polymer chains and potential leaks. In this respect, CPVC is unaffected by the chlorine present in potable water supply.

7. LOWER THERMAL CONDUCTIVITY

CPVC has a lower thermal conductivity than alternative plastics, reducing heat loss through the pipe walls (see figure 8).

8. CHEMICAL RESISTANCE

CPVC has excellent chemical resistance to strong mineral acids and bases (see figure 9).



9. LOW BACTERIA BUILD UP

Studies (* see 1 and 2) have shown that bacteria build up with CPVC is far lower than with alternative piping materials - copper, steel and other thermoplastics. Below are some results and conclusions of 2 different studies.

Study 1: Health concerns*

"CPVC piping supports the lowest bacterial growth compared with traditional piping materials."
 (see figure 10)

(*) *Study 1: Bakterielle Oberflächenbesiedlung in trinkwasserdurchströmten Schlauch und Rohrleitungen; Dr. Georg-Joachim Tuschewitzki; Privatdozent am Hygiene-Institut der Universität Bonn; 23.10.1989.*

Study 2: Water deterioration from extended stagnation conditions in steel, copper and CPVC pipes*

"The clear winner in terms of water deterioration in this laboratory study is the CPVC pipe. As can be seen, very little deterioration occurred, even after extended stagnation." (see figure 11)

"With the absence of chemical corrosion reactions, the level of solids build-up was very low compared to the copper and steel pipe sections."

(*) *Study 2: Study conducted by Prof. F.L. Hart of the Worcester Polytechnic Institute for the US Fire Administration, Federal*

Emergency Management Agency

Figure 10: Bacterial growth in water piping at 120 days

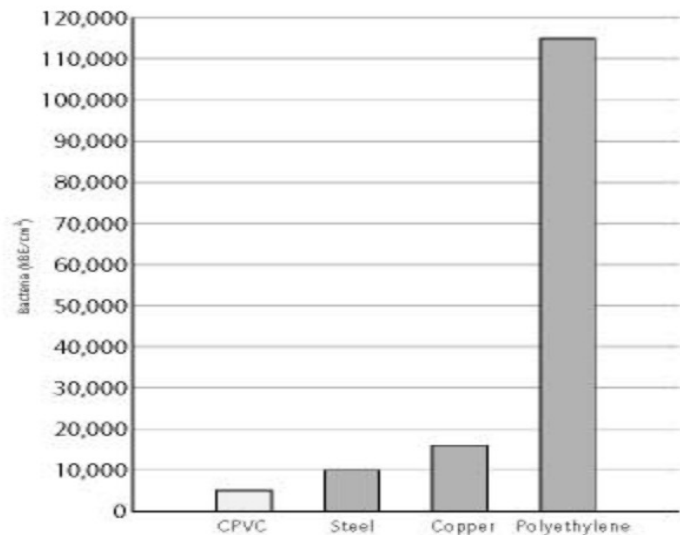
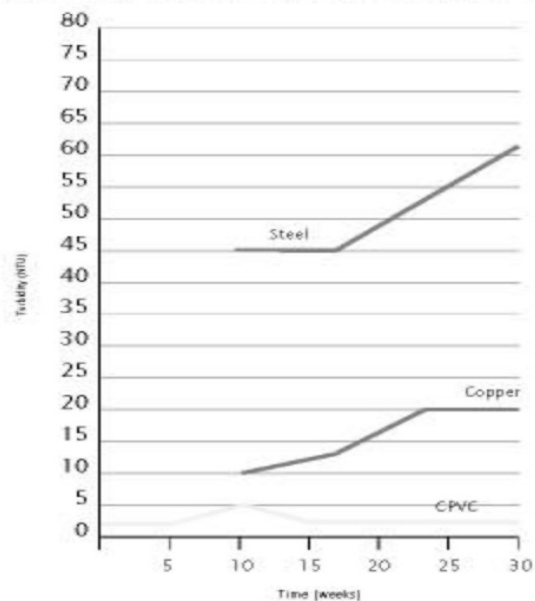


Figure 11: Turbidity changes during extended periods of stagnation



Study 3: Biofilm-forming
 characteristics of pipe
 materials for drinking
 water installations*

"The biofilm concentration was lowest
 on CPVC" (see figure 12).

"In the presence of the two CPVC
 materials, the growth of Legionella
 bacteria in the water was low" (see
 figure 13).

(*) Study : "Biofilm Formation Potential of Pipe Materials
 in Internal Installations" by order of VROM.
 Authors: H.R. Veenendaal and D. van de Kooij -
 KIWA N.V. - Division Chemistry and Biologie.
 June 1999. (KIWA is The Netherlands approvals
 agency for potable water piping systems)

Figure 12: Average biofilm concentrations on the
 pipe wall [water flow simulating domestic use]

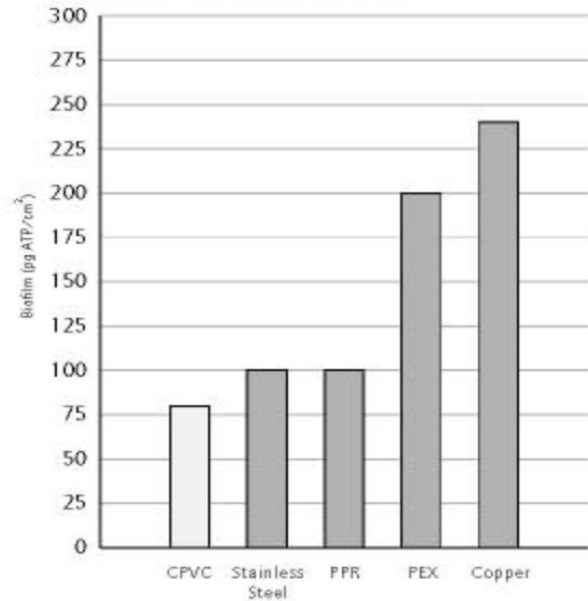
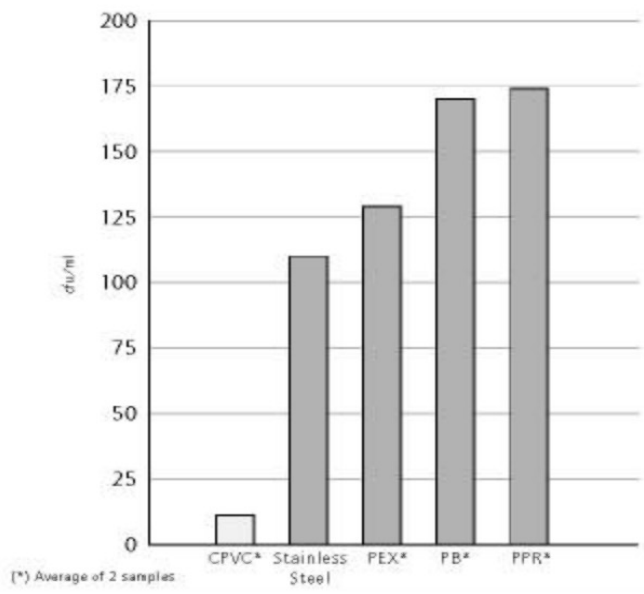


Figure 13: Number of Legionella bacteria in the test water
 (average after 8, 12 and 16 weeks - static test, no flow)



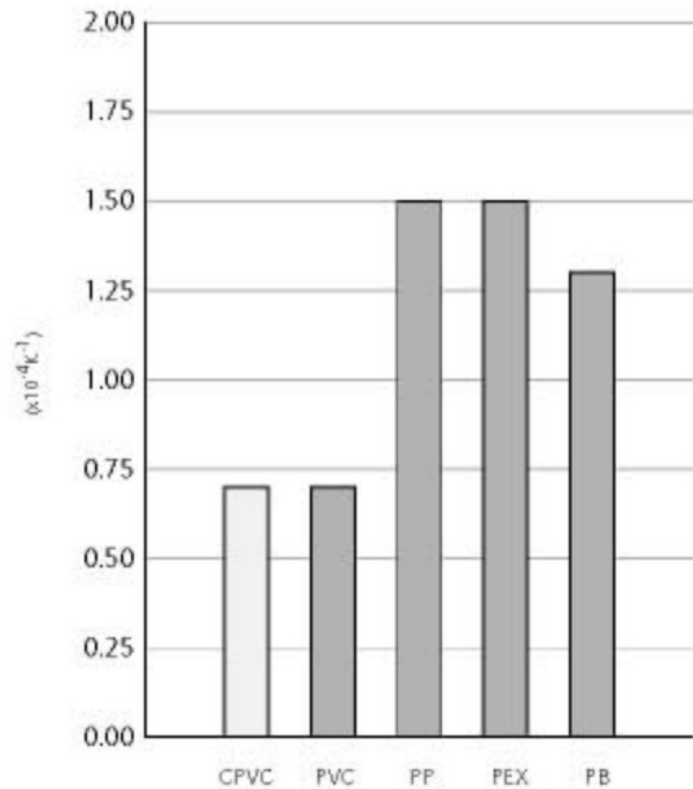
10. LOW THERMAL EXPANSION

CPVC has a lower coefficient of thermal expansion than alternative plastics, reducing the amount that the pipe expands when hot water is running, again reducing unsightly 'looping' of the pipe (see figure 14).

11. OVER FORTY YEARS OF PROVEN PERFORMANCE

No other thermoplastic can claim over forty years of trouble free performance in hot water distribution.

Figure 14: Coefficient of Thermal expansion



SOURCES : - Saechtling - International Plastics Handbook

- Modern Plastics Encyclopedia

- Chemical Engineers Handbook

- DIN pipe standards

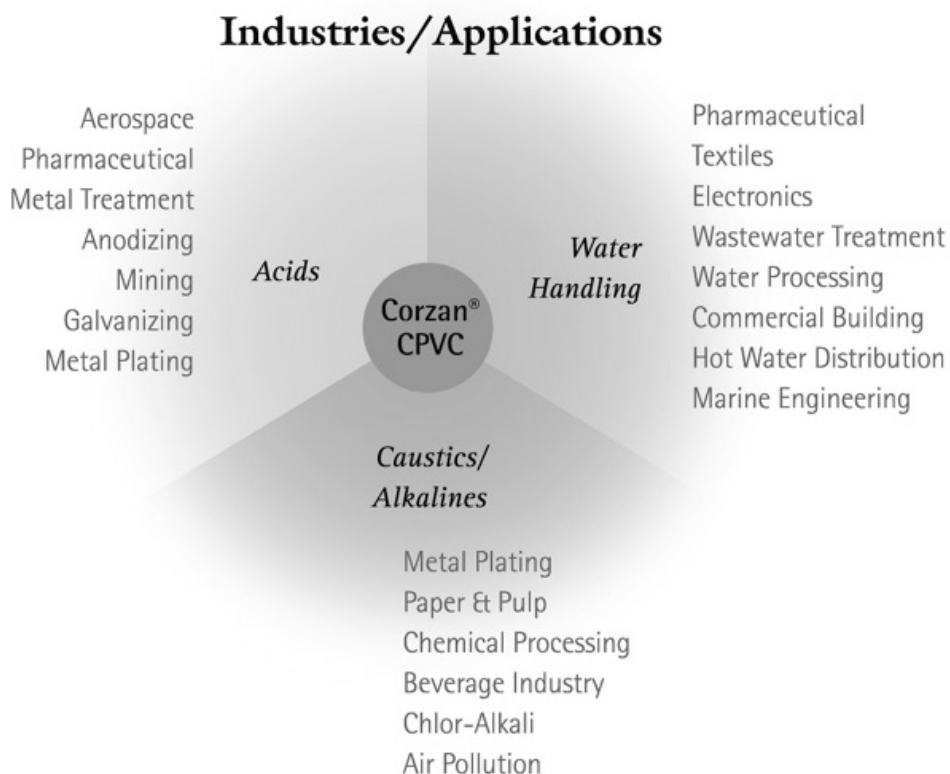
- British Gas

ASTRAL POLY TECHNIK LIMITED

• Astral Corzan CPVC Industrial Piping System

We have entered into an agreement with Noveon (formerly B.F. Goodrich Company) on March 18, 1998 to manufacture and market **“Corzan”** brand systems including pipes and fittings in Iron Pipe Size (IPS) Sch 40 and Sch 80 ranges from ½" to 8" in ASTM Standard used for corrosion resistant and high temperature applications in the industry. Developed in 1958 by Noveon, Corzan CPVC has been offering to process industry a corrosion resistance, chemical resistance, high heat handling capability, mechanical strength and life-cycle economics in a single package. The material provides industry with longer service life, lower maintenance and improved process utilization compared with traditional materials. It is ideally suited for companies engaged in the business of aerospace, metal treatment, anodizing, mining, galvanizing, metal plating, pharmaceutical, textiles, electronics, wastewater treatment, water processing, commercial building, hot water distribution, marine engineering, paper & pulp processing, chemical processing, beverage industry, chlor-alkali, air polluting industries.

It is a CPVC piping solution for industrial applications. Corzan is also a trademark of Noveon IP holding Corp. Astral Corzan is a cost effective material that resists corrosion while also providing mechanical strength, safety and long lasting performance. Many chemicals encountered in the process industry aggressively corrode most metal equipment, resulting in process leaks, flow restrictions, and ultimately premature failure. Corzan Industrial Systems are chemically inert to most mineral acids, bases and salts, as well as aliphatic hydrocarbons. In addition, these systems are not subject to galvanic corrosion.



Major Advantages

Easy Installation

CPVC Corzan pipe are light in weight (approximately one half the weight of aluminum and one-sixth the weight of steel). They have smooth, seamless interior walls. No special tools are required for cutting. They can be installed using solvent cementing, threading, flanging and roll-grooved joining techniques.

Chemical Resistance

Corzan CPVC pipe are inert to attack by strong acids, alkalies, salt solutions, alcohols, and many other chemicals. They are dependable in corrosive applications and impart no tastes or odours to materials carried in them. They do not react with materials carried, nor act as a catalyst. All possibility of contamination, or chemical process changes, and all dangers of clouding, sludging or discoloration are eliminated.

Strength

Corzan CPVC pipe are highly resilient, tough and durable products that have high tensile and high impact strength. They can withstand high pressure for long periods.

Fire Resistance

Corzan CPVC pipe products are self extinguishing and do not support combustion. They have an ASTM E-84 flame spread rate of 25 or less.

Internal Corrosion Resistance

Corzan CPVC pipes resist chemical attack by most acids, alkalies, salts, organic media such as alcohols and aliphatic hydrocarbons, within certain limits of temperature and pressure. They provide the needed chemical resistance, while eliminating the disadvantages of special metals, lined piping, glass, wood, ceramics, or other special corrosion-resisting materials, were used formally.

External Corrosion Resistance

Industrial fumes, humidity, salt water, weather, atmospheric, or underground conditions, regardless of type of soil or moisture encountered, cannot harm Corzan CPVC plastic pipes. Scratches or surface abrasions do not provide points which corrosive elements can attack.

Corrosion Free

With many other pipe materials, slight corrosion may occur. The corroded particles can contaminate the piped fluid, complicating further processing, or causing bad taste, odors, or discoloration. This is particularly undesirable when the piped fluid is for domestic consumption. With Corzan CPVC, there are no corrosive by-products, therefore the piped fluid is absolutely free of contamination,

- **"Astral Aquarius"** Lead Free PVC Plumbing system

"Astral Aquarius" is a Lead Free ASTM PVC Solvent Weld Plumbing System. Generally lead is used as a stabilizing agent to manufacture PVC pipes. As we believe in quality and updated standard products, we have introduced Astral Aquarius - The lead free plumbing system is for better and hygienic water quality. Lead is a metal with no known biological benefit to humans. Too much lead can damage various systems of the body including the nervous and reproductive systems and the kidneys, and it can cause high blood pressure and anemia. Many Western and European countries now have lead free plastic piping system for their water distribution. Astral Aquarius PVC Plumbing system utilizes NSF (National Sanitation Foundation) approved one step solvent- cement specifically formulated for the use. Joining is accomplished quickly and efficiently utilizing inexpensive tools thereby reducing labour and installation costs.

The systems include pipes and fittings in Iron Pipe Size (IPS) Sch 40 and Sch 80 ranging from ½" to 8" in ASTM Standard. Astral Lead Free PVC is ideally suited to environments where safety and hygiene are paramount, including hospitals, clinics, children's and retirement homes, food and pharmaceuticals production.

We have introduced a new product range in Lead Free PVC pressure solvent weld pipes and fittings under the brand name of **"Astral Aquarius"**. Our PVC piping systems are lead free and non-toxic and are therefore favorable for use in applications such as potable water pipes. Our Lead Free PVC piping products exhibit well-known physical characteristics and other benefits of conventional PVC piping, such as chemical and corrosion resistance, low thermal conductivity, high strength-to-weight ratio, good impact resistance, and ease of installation.

We believe that by manufacturing our products from advanced PVC formulations, we are not only offering customers the safest option but the best environmental choice.

ASTRAL POLY TECHNIK LIMITED

Our International Tie ups for Trading Products

- **Solvent Cement Products by IPS Corporation USA**

We have also entered into a distributorship and marketing agreement with IPS Corporation USA, dated July 01, 2002, for marketing its Weld on CPVC solvent cement products in India.

Solvent cement is a compound made of plastic resins, solvents and other additives used to physically weld specific plastics into one piece. Solvent cements are not glues, epoxies or silicones. They are a class onto themselves. They vary in terms of viscosity, settlement time and colors, depending on the end use

Steps to be taken for the use of the solvent

The solvents in the cleaner remove residues that may be on the pipe, leaving a good surface. Then, the primer solvents begin the softening process, "etching" or penetrating the pipe. By doing so, the plastic begins to soften and swell. Cement is similar to primer, but contains higher concentrations of active solvents and dissolved resin, similar to the plastics in the pipe and fitting being welded. The pipe and fitting are coated, connected and bottomed out, and given a 1/4 turn to ensure an even distribution of the cement. The swelling and the tapered shape of the fitting will cause the pipe to attempt to "push-off" of the fitting, so some resistance must be applied until the cement takes a "set". The set usually only takes a minute or two to allow gentle handling of the joint. The "cure" is the slow increase in strength of the joint. This process involves the evaporation of solvent out of the joint, completing the weld. Since we believe in the advantages of using the solvent we recommend this product for joining our pipes and fitting products.

- **Hunter Plastics Limited (UK)**

We have a distributorship tie-up with Hunter for marketing their underground fittings,

- **Spears Manufacturing Company**

We are also the sole distributors of Spears Manufacturing Company - USA for CPVC fittings, flanges and valves in India.

- **Harvell - USA**

We have recently also entered into a distributor agreement with Harvell- USA to market its CPVC and PVC plastic pipes of a larger diameter .

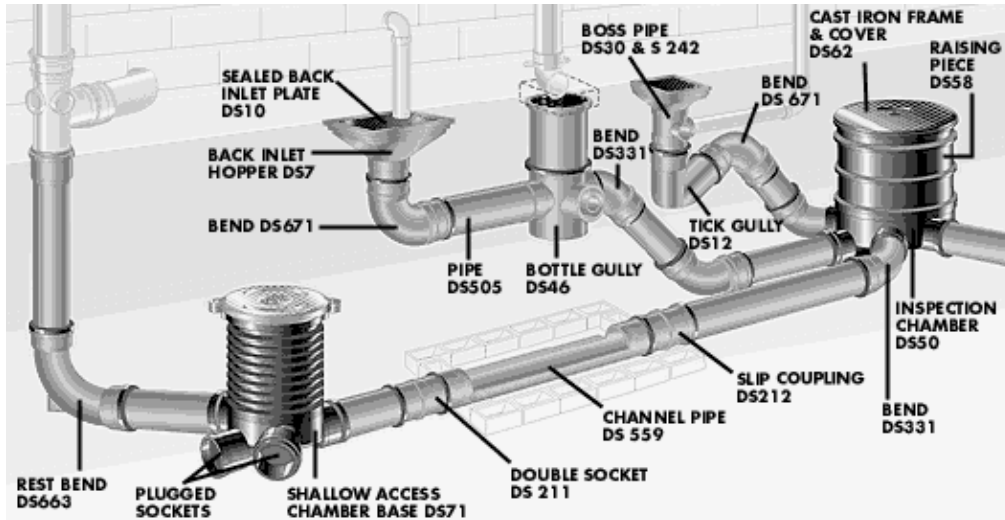
Upcoming Products of our Company

- **Astral Underground System:**

To meet the ever-growing demand for products which have application in the drain and sewerage systems we have ventured into the business of soil and waste systems by trading in underground fittings of Hunter Plastics Limited, United Kingdom. We are equipped to offer a comprehensive range of products for sewerage and drainage systems to provide uncomplicated drainage layout. We believe that like all our products, they are economical, strong and are easy to install. There is a range of drainage accessories designed to meet the needs of the most stringent building regulations. Their flexibility ensures that we can meet all domestic and commercial requirements for drainage, up to and including the main sewers. The pipes required for use with these underground fittings will be manufactured by us at our own facility. In their letter of authorisation dated February 10 2006, by Hunter Plastics Ltd., we have been authorized to promote and sell their products in whole of India.

System Benefits

- Durable and impact resistant
- Light in weight, easy to handle and quick to install
- Smooth bore pipe with longer intervals between joints reduces the risk of blockage and improves flow
- A full range of underground drainage, sewer and associated drainage products
- Easy to install, even in wet conditions



Inspection Chambers

Inspection chambers are available in 110mm and 160mm sizes and are designed to offer an easier, more economical alternative to traditionally constructed manholes. Installation couldn't be more straightforward, raising pieces are simply built-up to the required height to achieve instant watertight joints. 450mm chamber bases in 110mm and 160mm comprise four swept inlets at 45° and 90° and contain a built-in fall. The shallow access chamber base has two 110mm inlets at 45° and is installed using 230mm diameter risers. Internal installation is also possible using a sealed cover and frame.



• Astral BlazeMaster Fire Sprinkler System:

We have entered into a contract on July 01, 2006 with Noveon as its licensees in India to manufacture and market its Fire Sprinkler System under the brand name of "**BlazeMaster**" (Trademark of Noveon). BlazeMaster CPVC pipe and fittings are specifically designed for fire sprinkler systems.

- Faster, easier installation process
- Lighter weight material for ease of transportation and maneuverability on the job site
- Resistant to scale & corrosion (both internal and external of the pipe)
- Low flame and smoke characteristics



ASTRAL POLY TECHNIK LIMITED

● Astral SWR:

Astral will offer a comprehensive range of high quality soil and waste products to overcome complicated drainage installation.

All products have been designed for quality and efficiency to offer complete freedom of choice for the designer, installer and end-user alike.

Astral Soil and Waste systems offer a comprehensive above ground drainage solution. The range is suitable for carrying sanitary waste from most domestic, commercial and industrial installations.

The installer has the flexibility a range of colours offering fast, easy installation and durability.

SOIL AND WASTE

Benefits

- Durable and impact resistant
- Light in weight, easy to handle and quick to install
- Colour co-ordination of soil and waste with rainwater systems.
- Easily matched and fixed to existing materials and systems.
- A variety of bends, branches, boss fittings and adaptors for maximum
- versatility and installation efficiency . Components have a consistent high-gloss finish and are virtually maintenance free

PUSHFIT SYSTEM

Benefits

- Can be dismantled for adjustment
- Accommodates thermal movement
- Faster to assemble
- Can be installed in wet conditions
- Wider range of specialised fittings

Status of the upcoming Products

Astral Underground System

The products to be sold under the name of "Astral Underground System" are a comprehensive drain & sewerage system comprising pipes, fittings and the chambers. The pipes and fittings required for this system can be manufactured at our existing facilities. Hunter has authorized us to promote and sell chambers and fittings manufactured by them which we shall use in the systems to be sold by us. Thus the products to be sold under this system can be launched without any time lag.

Astral Blazemaster Fire Sprinkler System

The products to be sold under the name of Blazemaster can be launched without any delay as the pipes & fittings for use in these products can be manufactured by us and can also be outsourced from the market in case of need. We shall outsource the fire sprinklers and specialized fittings to be used in these products.

Astral SWR

The pipes and fittings used in SWR products can be manufactured by us at our facilities and hence these products too can be launched very quickly.

ABS

The ABS pressure pipes and fittings that we intend to launch are products that we shall be initially sourcing from outside which will eventually be manufactured by us.

Quality

Our quality programme covers the following:

- The products manufactured by us conform to internationally accepted standards viz. ASTM standards;
- The raw materials utilized by us for manufacture of our products conform to internationally accepted hygiene standards viz. NSF approved CPVC raw materials;
- Our products pass through stringent quality tests

Our Company has received an ISO 9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping system.

The program also includes regular visits of foreign collaborators to upgrade and to implement their suggestion to make Quality Assurance Plan effective.

Quality Control Procedures

Pipes:

- **Dimensions:** To ensure that all pipe dimensions conform to the appropriate standard, particularly wall thickness and outer roundness.
- **Flattening Test:** Samples are compressed so that opposite pipe walls is brought together without pipe cracking.
- **Burst Pressure:** Maximum internal pressure before pipe bursts. Must be over three times normal pressure rating.
- **Drop Impact:** Weights dropped onto pipe, without cracks or failures.
- **Heat Reversion:** Amount that the pipe changes in length when heated in an oven and then left to cool. Measure of residual stresses left in pipe from production process.

Fittings :

- **Dimensions:** To ensure that fittings have correct dimensions, particularly wall thickness, socket diameters and socket length.
- **Burst Pressure:** Maximum pressure before fittings burst, again must be over three times normal pressure rating.

Testing

We regularly test our finished products by testing its resistance to impact and pressure as well as other ASTM tests. In addition, we regularly test pipes, randomly selected from the market place. We also test our products batch wise on a regular basis and give utmost importance to quality.

Training

To facilitate easy understanding of the entire range of our piping and plumbing products and for easy installation, we have prepared product catalogues, technical manuals, installation literatures, audio - visual CDs etc. We have trained large number of plumbers across the country by organizing various workshops to impart training on how to install CPVC system / how to use solvent cements for jointing/and how to achieve best results from their plumbing jobs. These workshops offer practical hands-on training coupled with on-site training.

Moreover, our technical team is always available to offer any help that would assist for the perfect installations.

Market

We cater to domestic, industrial and commercial users. Our products cater to new and the replacement market both of which are showing trends of increasing demand. We are moving towards becoming a one stop shop for all plumbing and

ASTRAL POLY TECHNIK LIMITED

pipng solutions. We are supplying our products to a number of corporates in wide variety of sectors.

Some of them are as follows:

Builders <ul style="list-style-type: none"> • Nagarjuna Construction Company • Kalpataru Homes Limited • Shobha Developers Private Limited • D S Gupta Constructions Private Limited • Parsvanath Developers Limited • Sudhakaran Nair and Company Pvt. Ltd 	Hotels <ul style="list-style-type: none"> • The Indian Hotel Company Ltd. • East India Hotels Ltd • Sayaji Hotels Pvt. Ltd. • Indus Hotel Corporation Ltd • Mumtaz Hotels Ltd. (Unit Amarvilas)
Government Organisations and Institutes <ul style="list-style-type: none"> • IFFCO • NTPC • Engineers India Limited • Manglore Refinery & Petrochemicals Limited • Chennai Petroleum Corporation Limited 	Private Organisations <ul style="list-style-type: none"> • Reliance Industries Limited • Atul Ltd. • Cadilla Healthcare Limited • HLL • TISCO • Tata Chemicals Ltd • Nirma Ltd • HINDALCO Ltd • United Phosphorus Limited • Torrent Power AEC Limited • Gujarat Fluorochemicals Ltd • Uttam Galva Steels Ltd

Competition

We follow a strategy of leadership by innovation. Having entered in plumbing infrastructure sector in 1999 by introducing CPVC to Indian market, we believe that we have been first to introduce CPVC based industrial systems and also the first to manufacture Tin based -lead free PVC system for residential and commercial use. India is a huge market and has great potential to grow in volume and preferences. We believe in providing leadership to the market by bringing world class innovative products to fast emerging and rapidly changing Indian markets. Our focus is to produce such products locally to retain the world class quality and still offer them at affordable prices.

We group the competitive forces in three layers .

1. CPVC is a new age material posing to replace the legacy plumbing system of GI. Thus CPVC directly competes with GI. CPVC is looking to gain a major share of the new and replacement market from GI.
2. The next layer of competition is with other Polymers used in Plumbing system.
3. The third layer of competition is from other manufacturers of CPVC

• Galvanized Iron - First Layer of Competition

Worldwide, CPVC is replacing various traditional / legacy piping systems such as Galvanized Iron (GI) or Copper tubes. Thus the primary competition is with incumbent dealing in legacy materials. India is predominantly a GI user. Even today GI enjoys a lion's share in the plumbing market. A very small market share is shared amongst Copper and various Plastic polymers such as PVC, CPVC, PPR, ABS etc. Amongst all the polymers or non metallic material CPVC is the only polymer which overcomes all the limitations of GI and other metals. It is comparable in terms of tensile strength of GI, it is UV resistant, Fire retardant, resistant to high pressure and high temperature and carries anti scaling and anti corrosion properties.

GI business is highly fragmented amongst large number of players in unorganized sector; however, some of leading brands are Tata, Jindals etc. CPVC is different from GI in terms of the features and characteristics. In terms of price, it stands just below the prices of branded GI materials. Thus, CPVC is competing GI in upper strata of residential and commercial construction market. Surge in Steel prices in last 18 months has helped CPVC to get an edge over GI in terms of cost efficiency. With larger production capacities and better production efficiencies, CPVC is expected to compete GI even in the middle segment of the residential and commercial construction market.

Following the market behaviour in US and North American market, where CPVC has established a presence in Copper dominated market, CPVC is well positioned to acquire a respectable market share in Indian markets in coming years.

Competition Matrix with GI

Competition Front	GI	CPVC
Key Features	<ul style="list-style-type: none"> Contain corrosive properties It is susceptible to scaling Its joints have shorter life span and hence exposed to high probability of leakages from joints Exposes water to contamination due to impurities residing on internal walls 	<ul style="list-style-type: none"> Anti corrosive properties Anti scaling properties Long life joints, low risk of leakages Mirror finish internal walls do not allow any impurity to get deposited and accumulated. Hence low risk of contamination
Pricing	Branded products more expensive and also exposed to risk of rise in steel prices	Less expensive as compared to branded GI system.
Ease of installation	Cumbersome installation, groovings, threading, sealing leaving weak joints, takes longer installation time	Ease of installation due to use of Adhesive solutions / solvent cement, low fixing time, no requirement of electricity on site, takes much shorter installation time, offers more productivity to plumbers
Ease of Transportation and logistics	More in weight, difficult to wrap in protective plastic sheets	Light in weight, ease of packing, lower transportation cost

• Competition with other Thermo Plastics - Second Layer of Competition

PVC is one of the most used plastics in piping and plumbing systems. However, PVC has much lower tensile strength, capacity to bear pressure and temperature resistance as compared to CPVC. Hence, it is not recommended to be used for high pressure applications, hot water applications and also in concealed environment. CPVC is also more UV resistant as compared to PVC, which renders it more suitable to applications where the piping system remains exposed to sunlight for long time. Similarly CPVC is truly fire retardant material whereas PVC is not. Thus for all purposes, CPVC is a better material as compared to PVC and both are not comparable on most grounds. Thus there is a very limited area of competition between PVC and CPVC which is low pressure, low UV exposed, non concealed, cold water application segment.

Competition in PVC Market

PVC pipes and plumbing is a highly crowded market. The market is highly fragmented by many small and regional players. However, there are many established players such as Supreme Industries Ltd., Finolex Industries Ltd, Prince, Kisan and more. PVC piping system is increasingly becoming popular amongst Indian housing sector for transportation of cold water in low pressure environment. Being fragmented in unorganized sector like GI, the quality varies in wide range from organized sector players to small local players. Most PVC pipes manufactured in India are made out of compounds containing some lead elements.

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Considering this situation, we were first to introduce completely lead free, TIN based compound for manufacturing PVC piping system. We believe that other manufacturers of PVC system will also come up with lead free systems in time to come.

The only other Thermo plastic material which directly competes with CPVC is PPR. PPR suffers from many disadvantages which CPVC is not suffering from. Some of such disadvantages are as under:

1. It is a low pressure bearing material in comparison to CPVC.
2. It is more difficult to install as its installation process needs Thermo welding of joints and needs Electricity at construction site,
3. Exposure of PPR to Chlorine reduces its life. Considering the fact that chlorine is widely used in India for purification of water, it is unsuitable for most of such applications.
4. PPR is comparatively a new molecule. It has been in to use for plumbing for not more than 20 years. CPVC has been in use for more than 50 years and thus tested for its long life span.

● Competition with Other CPVC manufacturers - Third Layer of Competition

There are two other manufacturers of CPVC apart from our company. Ashirvad Pipes Private Limited, originally a PVC pipes manufacturer is manufacturing CPVC systems for residential and commercial plumbing out of Bangalore and Ajay Industrial Corporation manufactures CPVC systems out of Delhi. We believe that we were the first licensee of Noveon to introduce CPVC systems to Indian plumbing market in 1999.

Astral is the only manufacturer of Industrial CPVC system for Chemicals and other fluid transportation in India. Similarly, there is no manufacturer of CPVC based fire sprinkler system in the country.

Our Competitive Advantages

Astral scores over competition in many other ways.

1. Access to International Brands and Quality standards
Astral processes CPVC under the license from Noveon Inc, USA. Under the said license, we have access to international brands of "FlowGuard" for CPVC plumbing products and "CORZAN" for CPVC industrial piping systems. Astral is the only licensee in India for processing of industrial grade of CPVC resin and Fire Sprinkler system from Noveon Inc, USA.
2. Technical Collaborations
Astral has access to technical and industrial knowledge through Specialty Process LLC, its technical and financial collaborator to CPVC production and quality testing techniques.
3. Quality of Raw Material
Astral uses NSF certified CPVC raw material. This certification awarded by National Sanitation Foundation of USA is the hallmark of safety for human consumption and is one of the most creditable certification to bear for any product coming into contact with any material for human consumption. Astral has also applied for NSF certification for all its CPVC products manufactured out of Ahmedabad and Himachal Pradesh Plants. To our knowledge, there is no PVC or other plastic piping or plumbing product from India bearing NSF certification.
4. Tie-ups for selling products of overseas manufacturers in India
Astral draws strength from its marketing relationship with some of the international players in plumbing industry. Astral is exclusive reseller of CPVC and PVC fittings products of Spears, one of the largest fitting manufacturers from USA, underground products manufactured by Hunters of UK, Solvent Adhesive solution for CPVC and PVC jointing application manufactured by IPSC of USA,

Other than Noveon / Lubrizol, there are few other manufacturers of CPVC. Further, at present demand for CPVC in India is still in its initial stage and therefore very small as compared to Europe and North America. The prices of the end product are also low as compared to North America and Europe. It is for these reasons that other players have no focus

over Indian market for now. However, as the size of CPVC market in India grows, other players may start focusing this market and this may give rise to new competition in coming years. In India there are a lot of PVC pipe manufacturers both in the organized segment and the unorganized segment.

Leveraging Competitive Strength

All the products, exiting and future are targeted towards common market place and common intermediaries and user group. The same distribution network which is currently selling our products will be further leveraged to sell new products launched by us. We believe that a larger and wider range of our products, will continue to retain their position as one of the major business interests of our distribution partners. The brands that we have built by providing world class CPVC plumbing products to residential and industrial infrastructure market will continue to help provide precious mind space and top of the mind recall value to all its newer products. Our image as a first mover in bringing world class products to Indian consumers has also created a distinct position for itself.

Wide range of products and services

- a. **"Astral"** brand, known for its innovative properties of its CPVC/PVC products;
- b. **"FlowGuard"** products used for CPVC plumbing applications;
- c. **"Corzan"** products used for industrial applications;
- d. **"BlazeMaster"** products for CPVC fire sprinkler systems;
- e. **"Spears"** CPVC and PVC fittings, flanges and valves;
- f. **"IPS"** CPVC and PVC solvent cement;
- g. **"Hunter"** underground speciality PVC fittings and valves;
- h. **"Harvell"** CPVC and PVC plastic pipes for use in a broad range of pressurized fluid handling systems.

Business tie-ups with international players

- a. Sole Distributors in India, since 1999, of **Spears Manufacturing Company, USA**, manufacturers of CPVC fittings, flanges and valves;
- b. Exclusive distributors in India, of **IPSC, USA**, for CPVC/PVC solvent cements;
- c. Distributors in India for **Hunter Plastics Ltd, U.K.**, a producer of under ground speciality fittings;
- d. Distributors in India for **Harvell Plastics Inc., USA**, a manufacturer of high quality CPVC and PVC plastic pipes for use in a broad range of pressurized fluid handling systems
- e. Licensees of **Noveon (formerly B.F. Goodrich Company)** in India and neighboring countries for the use of the trademarks **"BlazeMaster", "FlowGuard" and "Corzan"**;
- f. Technical and engineering support for development of CPVC and related products for applications in fire sprinkler, plumbing and industrial systems with **Noveon (formerly B.F. Goodrich Company)**;
- g. Techo-financial joint venture with **Specialty Process LLC**;

Firm and wide marketing and distributor/dealership network in India

Our Company has made firm arrangements for marketing and distributing our products to extensively cater to domestic markets through a nationwide network of distributors/ dealers. Presently, we have 142 distributors and over 1500 Resellers /dealers covering the territories of the entire country.

ISO Certification

Our Company has received an ISO-9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping systems.

ASTRAL POLY TECHNIK LIMITED

Competitive Pricing

Our Company's manufacturing facility at Barotiwal-Solan District (H.P) enjoys certain tax benefits/concessions, resulting in a reduction in the overall cost of production, which enables us to price our products at competitive rates in comparison with our industry peers.

Use of raw materials approved by the NSF

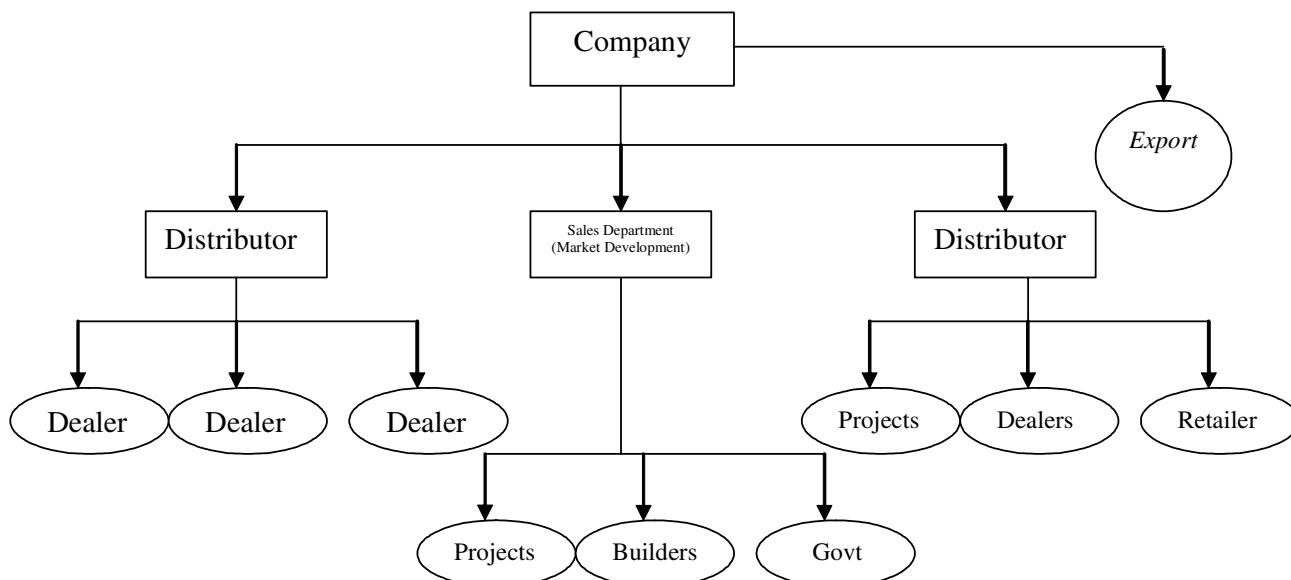
Our Company's products are made out of "NSF" approved raw materials thereby making our products the preferred choice for end-users of our products.

Marketing

Our marketing team at present has two divisions for the markets that we cater to i.e. the commercial & residential and Industrial segments.

Commercial and Residential Segment

We have two products to cater to this segment. i.e **Astral FlowGuard and Astral Aquarius**. We mainly promote this product through a distributor network throughout the country. The marketing flow is as follows:-



We appoint distributors throughout the country. Our distributors are essentially the key dealers in construction and plumbing materials in their respective territories or states. They command access to large number of resellers across the territory and enjoy good relationships with architects, consultants, builders, contractors, plumbers and business community at large. These distributors are appointed after a thorough screening by us. As on December 31, 2006 we had 142 distributors. Our distributors / dealers undergo following induction programme.

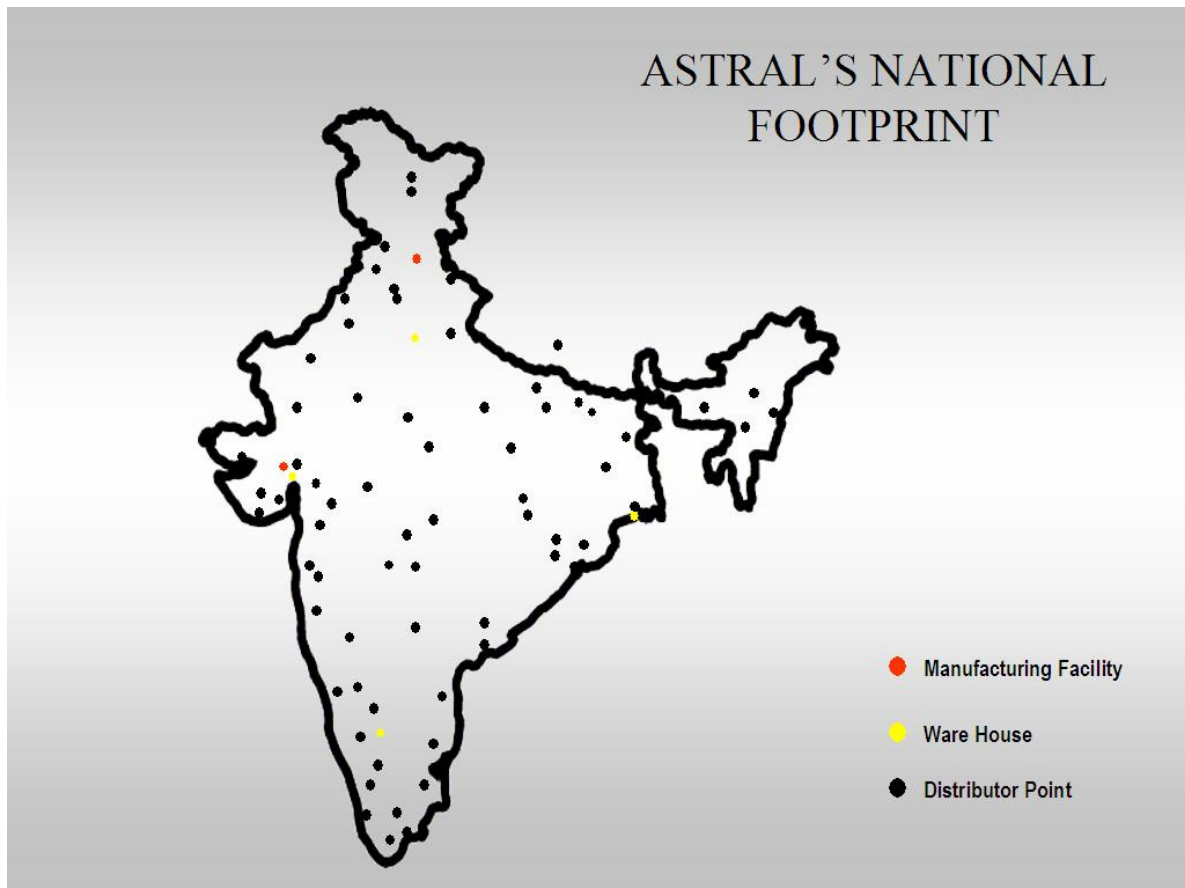
- Our identified and appointed distributors need to fill in an Enlistment form for registration with us.
- After registration every distributor undergoes a training session, wherein they are familiarized with our products, method of installation, and are made aware of the benefits and advantages of using our products over others available in the market.
- On completion of the training session, the distributors begin marketing and distribution of our products.
- Sales of our Astral FlowGuard and Astral Aquarius products are made exclusively through our distributors only. However, our sales representatives assist these distributors in marketing and distribution of our products.

- In case of major projects, we accompany our distributors from the initial stages. We also take on direct marketing in such cases. However, pricing is finalized only after consultation with our distributors.

Role of our Company representatives

- Identify market for our products;
- Promote our products in potential markets;
- Facilitate direct sales and cater to after sales services;
- Working closely with our distributors;
- Obtain market feedback;
- Conduct market research;
- Tracking new distributors with greater and wider market accessibility.

"Our Distribution Network"



ASTRAL POLY TECHNIK LIMITED

SOUTH ZONE

SR.NO.	NAME AND ADDRESS
1	M/S. ANDANUR MUPPANNA & CO, DAVANGERE, KARNATAKA
2	ARYA CERAMICS & SANITATION, GULBARGA, KARNATAKA
3	M/S. BUILD TECH INC, BANGALORE, KARNATAKA
4	SAI TRADERS, PRODDATUR, KADAPPA DISTRICT, ANDHRA PRADESH
5	M/S MUNNOTH PIPE TRADERS, BANGALORE, KARNATAKA
6	M/S. DOSHI BROTHERS, HYDERABAD, ANDHRA PRADESH
7	M/S WESTERN MARKETING, SECUNDERABAD, ANDHRA PRADESH
8	M/S. GUNDI MARKETING, HUBLI, KARNATAKA
9	M/S. GUDEKOTA TRADERS, BELLARY, KARNATAKA
10	M/S. NAIDU PVC CENTRE, VISAKHAPATNAM, ANDHRA PRADESH
11	M/S KARNATAKA PIPE CENTRE, MYSORE, KARNATAKA
12	M/S. KRISHI UDYOGA, BELGAM, KARNATAKA
13	M/S REDDY ENGINEERING COMPANY, HYDERABAD, ANDHRA PRADESH
14	ALS TRADE CENTRE, ERODE, TAMIL NADU
15	M/S SHANTILAL DHANRAJ RUNWAL, BIJAPUR, KARNATAKA
16	M/S SRI BALAJI AGENCIES, TIRUPATI, ANDHRA PRADESH
17	M/S BALAJI SANITARY SYNDICATE, VISAKHAPATANAM, ANDHRA PRADESH
18	M/S SPAN CORPORATION, CHENNAI, TAMILNADU
19	SUNRISE MARKETING AGENTS, KOTESHWAR, KARNATAKA
20	M/S UNIVERSAL AGENCIES, VIJAYAWADA, ANDHRA PRADESH
21	PRINCE STORE, PORT BLAIR, ANDAMAN
22	M/S VIJAYALAXMI ENTERPRISES, NIZAMABAD, ANDHRA PRADESH
23	M/S UNIVERSAL PIPES, ERNAKULAM, KERALA
24	M/S DEVI ENTERPRISES, HARIPAD, KERALA

SR. NO.	NAME AND ADDRESS
25	M/S KOTTAYAM PIPE HOUSE, KOTTAYAM, KERALA
26	M/S SRI SIRIGERI ENTERPRISES, GANGAVATHI, KARNATAKA
27	M/S D KAMAK BATHE HOMES PVT LTD, TIRUNELVELI, TAMILNADU, TUTICORIN, NAGERCOIL
28	M/S INDIAN PIPE SYNDICATE, MADURAI, TAMILNADU
29	M/S VIJAY STEEL TUBES & FITTINGS PVT LTD., CHENNAI, TAMILNADU
30	M/S ALS ENTERPRISES, CHENNAI, TAMILNADU
31	AL S T & CO, COIMBATORE, TAMILNADU
32	BOBVITHAN TUBE & MACHINERIES PVT LTD., PONDICHERRY, TAMILNADU
33	SREE KARTHIK ENTERPRISES, SHIMOGA, KARNATAKA
34	SHANKARA PIPES (I) PVT LTD, BANGALORE, KARNATAKA
35	ALS MARKETING CO., TRICHY, TAMILNADU
36	M/S VARDHAMAN SANITARYWARE, CHITTOOR, ANDHRA PRADESH
37	M/S SHAHA SALES AGENCY, NIPANI, KARNATAKA
38	M/S SRI RAM PAINTS & HARDWARES, MANGLORE, KARNATAKA
39	VIJAY STEEL TUBES & FITTINGS PVT. LTD., BANGALORE, KARNATAKA
40	VIJAY STEEL TUBES & FITTINGS PVT. LTD., HUBLI
41	KISAN TRADERS, GULBARGA - 585104
42	NAAZ TRADERS, GULBARGA - 585103
43	M/S HASSAN ENTERPRISES, UDGIR ROAD, BIDAR
44	M/S VIJAY STEEL TUBES & FITTINGS PVT LTD., COIMBATORE, TAMILNADU
45	LAKSHMI ENTERPRISES, SHIMOGA, KARNATAKA

EAST ZONE

SR. NO.	NAME AND ADDRESS
46	M/S. JAIMAL AGARWALA, ROURKELA, ORISSA

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SR. NO.	NAME AND ADDRESS
47	M/S PRAKASH SUPPLY AGENCIES, BHUBANESWAR, ORISSA
48	M/S. SANITARY SALES CORPORATION, RANCHI, CHHATISGARH
49	M/S LENA ENTERPRISES, AIZAWAL, MIZORAM
50	M/S APEX TRADE INTERNATIONAL, KOLKATA, WEST BENGAL
51	REZA INTERNATIONAL, KOLKATA, WEST BENGAL
52	M/S GEETA ENTERPRISE, SILIGURI, WEST BENGAL
53	M/S SANCHETI STORES, KATHMANDU, NEPAL
54	M/S.MANGAL TRADERS, GUWAHATI, ASSAM
55	M/S PANCHAMUKHI ENG. BHUBANESWAR, ORISSA
56	PRAKASH TRADING CORP., RANCHI, CHHATISGARH

NORTH ZONE

SR. NO.	NAME AND ADDRESS
57	M/S. AVIS TRADEWORTH PVT LTD, NEW DELHI
58	M/S. BHARAT TRADER, NEW DELHI
59	M/S HINDUSTAN PIPE SALES, NEW DELHI
60	M/S. HINDUSTAN SANITARY CHANDIGARH, HARYANA
61	MALLIK HARDWARE & SANITARY STORE, KANPUR, UTTAR PRADESH
62	M/S. M G MARKETING, GHAZIABAD, UTTAR PRADESH
63	M/S JAYANA TRADERS, AGRA, UTTAR PRADESH
64	M/S MODERN PIPE SALES CORPORATION, LUDHIANA, PUNJAB
65	BAKSHI SON HARDWARE, SRINAGAR, KASHMIR, JAMMU & KASHMIR
66	M/S MADNEE TRADERS, SRINAGAR, KASHMIR [J & K]
67	M/S RAI & COMPANY, ALLAHABAD, UTTAR PRADESH

SR. NO.	NAME AND ADDRESS
68	M/S. K S WIRE NETTING IND., JALLANDHAR KANTT, PUNJAB
69	M/S MAHESHWARI ASSOCIATES, LUCKNOW, UTTAR PRADESH
70	M/S VASUNDHARA KRITI, LUCKNOW, UTTAR PRADESH
71	M/S BATH POINT, HISSAR, HARYANA
72	M/S BHARAT TRADING CO., MIRZAPUR, HARYANA
73	M/S GOMTI SANITARY STORES, GORAKHPUR, UTTAR PRADESH
74	M/S JAYANA TRADERS, AGRA, UTTAR PRADESH
75	M/S NIRMAAN, VARANASI, UTTAR PRADESH
76	M/S NARAIN TRADERS, LUCKNOW, UTTAR PRADESH
77	M/S UNIVERSAL SANITARY STORES, DEHRADUN, UTTRANCHAL
78	M/S S K SALES AGENCIES, MAJHOLI, MURADABAD [UP]
79	M/S ADVANI BROTHERS, RISHIKESH, UTTRANCHAL

WEST ZONE

SR. NO.	NAME AND ADDRESS
80	M/S. APANA HARDWARE SUPPLIERS, AHMEDABAD, GUJARAT
81	M/S. TURAKHIA ENTERPRISE, AHMEDABAD, GUJARAT
82	M/S JAIN BROTHERS, GANDHIDHAM, GUJARAT
83	M/S. GEETA ENTERPRISES, VADODARA, GUJARAT
84	M/S NILESH TRADING COMPANY, ANKLESHWAR, GUJARAT
85	M/S POOJA SANITARY WARES, MORBI, GUJARAT
86	M/S POPULAR TRADERS, RAJKOT, GUJARAT
87	M/S SAUBHAGYA CHAND & COMPANY, AMRELI, GUJARAT
88	M/S SHREEJI ENTERPRISE, BHUUJ, GUJARAT

ASTRAL POLY TECHNIK LIMITED

SR. NO.	NAME AND ADDRESS
89	M/S UNICK PLASTIC SYSTEMS LTD, SURAT, GUJARAT
90	M/S UNIVERSAL AGENCIES, BHAVNAGAR, GUJARAT
91	M/S. CHANDWANI CERAMICS, KOLHAPUR, MAHARASHTRA
92	M/S. DEEPAK SANITATION, MUMBAI, MAHARASHTRA
93	M/S. LUCKY PIPE FITTINGS STORES, MUMBAI, MAHARASHTRA
94	M/S S B AJMERA & CO, MUMBAI, MAHARASHTRA
95	M/S MAHARASHTRA STEEL TUBE CO, MUMBAI, MAHARASHTRA
96	M/S SHAILESH & CO., MUMBAI, MAHARASHTRA
97	KAJARIA TRADING CO, MUMBAI, MAHARASHTRA
98	G H KARIA, ULHASNAGAR, MAHARASHTRA
99	SUPER ELECTRICAL & HARDWARE, THANE, MAHARASHTRA
100	NIRAML AGENCIES, NAVI MUMBAI, MAHARASHTRA
101	M/S. KANAYALAL & BROS., AURANGABAD, MAHARASHTRA
102	M/S NOVA ENTERPRISE, NAGPUR, MAHARASHTRA
103	M/S UNITED PIPE TRADERS, NAGPUR, MAHARASHTRA
104	M/S OM TRADING COMPANY, SANGLI, MAHARASHTRA
105	ORCHID VENNERS & PLY, JALGAON, MAHARASHTRA
106	M/S KRISLON CERAMICS, SATARA, MAHARASHTRA
107	M/S ATUL TRADING CORPORATION, AHMEDNAGAR, MAHARASHTRA
108	M/S CERAMIC TRADERS, KORAGAON, MAHARASHTRA
109	M/S MANGALDAS VENICHAND, PUNE, MAHARASHTRA
110	M/S RATNAGIRI SALES CORPORATION, RATNAGIRI, MAHARASHTRA

SR. NO.	NAME AND ADDRESS
111	MUKTA SALES, NASIK, MAHARASHTRA
112	M/S MAHAVEER HARDWARE, BEED, MAHARASHTRA
113	M/S INSIDE & OUTSIDE, AMRAVATI, MAHARASHTRA
114	M/S DARSHAN ENTERPRISES, NANDED, MAHARASHTRA
115	SHA J M KATARIA, JALNA, MAHARASHTRA
116	SAHIL ENTERPRISES, PANVEL, MAHARASHTRA
117	M/S GRUH SUVIDHA, AKOLA, MAHARASHTRA
118	M/S AGARWAL SANITATIONS, JABALPUR, MADHYA PRADESH
119	M/S A C GOLCHHA, JABALPUR, MADHYAPRADESH
120	M/S HARISH SANITATIONS, INDORE, MADHYA PRADESH
121	M/S TAYYABI STORES, NEEMUCH, MADHYA PRADESH
122	M/S JAGANNATH MARKETINGS, RAIPUR, CHHATTISGARH

WEST ZONE

SR. NO.	NAME AND ADDRESS
123	M/S CHOUDHARY TRADERS, BILASPUR, CHATTISGARH
124	M/S. BEAUTY BOUNTY, VASCO-DA-GAMA, GOA
125	M/S RUMBHI IRON STORE, CHINDWARA, MADHYA PRADESH
126	M/S PORWAL ENTERPRISES, MANDSAUR, MADHYA PRADESH
127	M/S JANTA TRADERS, KATNI, MADHYA PRADESH
128	M/S SHANTI MARKETING, C/O SHANTI AGENCIES, LATUR - 413 512
129	M/S. KANTILAL CHHAGANLAL MEHTA, DHULIA, MAHARASHTRA
130	M/S. SUPREME TRADERS (JUPITER), UDAIPUR, RAJASTHAN
131	M/S. KARTIK TRADE LINKS, JAIPUR, RAJASTHAN

ASTRAL POLY TECHNIK LIMITED

SR. NO.	NAME AND ADDRESS
132	M/S ARIHANT ENTERPRISES, JODHPUR, RAJASTHAN
133	M/S MAHESH TRADERS, PARBHANI, MAHARASHTRA
134	SHRI CHINTAMANI TRADERS, MALKAPUR, KARAD, MAHARASHTRA
135	SHREE DURGA PIPES & HARDWARE, DHULE, MAHARASHTRA
136	M/s. NAKODA ENTERPRISE, KADODARA, TAL. PALSANA, DIST. SURAT
137	M/S GANESH TRADERS, PATCH PERI NAKA, RAIPUR
138	M/S INTEXT, GALA NO. 7, SOYGAON, MALEGAON, DISTRICT NASIK
139	M/S MANASI MARKETING, SOLAPUR 413 001
140	M/S NIRMAL AGENCIES, NERUL, NAVI MUMBAI
141	M/S MST CERAMICS, DOMBIVAL, THANE
142	KOMAL TRADING CO., AHMEDNAGAR

- Industrial Segment:-** We follow the path of direct marketing for our industrial segment. We have a team of around 7 employees for this segment. Apart from this we also have 15-16 agents who support our marketing team as well. We basically go for our direct selling for our industrial goods because Corzan requires more of concept selling, the benefits have to be clearly told to the industrial users and then the sale will happen. Since it is more of concept selling we cannot have large stocks of Corzan kept with the distributors. Over the years the sale of Corzan has grown because the concept and advantages of using CPVC Piping system has started getting accepted and enquiries on the same have been received. We also have letters of satisfaction received from our clients which help us in pushing our product further.

Export

In the past, we have exported pipes and fittings to our neighboring countries. Presently our primary target is the Indian market but in future, we are also keen to tap the foreign markets.

As on December 31, 2006 we have an export obligation of Rs. 311.32 Lacs on account of purchase of machinery for our Baddi plant in the EPCG Scheme.

Business Strategy

Background

We were established in 1996 and are currently the licensee to manufacture and distribute CPVC plumbing systems for home and commercial use, under the international brand "**FlowGuard**" and industrial systems "**Corzan**" for transportation of highly corrosive industrial chemicals and gases. CPVC, which has been replacing copper in USA and other developed countries, was unheard of in GI dominated Indian market. The challenge was to bring awareness about CPVC and its superiority over GI amongst all the stakeholders including users, consultants, plumbers/ installers, builders and contractors.

Over a period of five years, we have trained a large number of plumbers, under various workshops in tier 1, tier 2 and tier 3 cities and have also invited consultants, architects, builders, contractors to familiarize them about the superior characteristics of CPVC in comparison to other traditional metallic materials such as GI as well as other polymers such as PVC, PPR etc.

Vision

Plumbing system for distribution and transportation of water in homes and commercial buildings is an integral part of infrastructure. Similarly, piping system for transportation of fluid and gaseous material in industry form an important part of most chemical, fertilizer and petrochemical industries. Unsuitable system not only fails to serve the basic objectives of delivering the pure and safe material but also endangers the life of other systems. Every sector, be it home, be it commercial, be it industrial or fire safety, Indian market is still not fully conversant with the efficient modern systems suitable to respective purpose.

Depending on the usage, wide varieties of pipes and fittings products are required. Astral desires to provide the entire range of specialty products to the domestic and industrial market.

Astral is poised to bring about modern age innovative plumbing and piping systems for homes, commercial and industrial consumption to offer Indian consumers world class systems at Indian prices.

In order to have presence close to the market and to reap the tax incentives offered by the Govt. of India, our Company has put up its second manufacturing facility in Himachal Pradesh in 2005, after its first manufacturing facility at Ahmedabad, Gujarat. The processing capacities of our Company have also grown to 6009 MT per annum (on an annualized basis) as on December 31, 2006.

In order to achieve our objectives and vision of being in a position to provide products to cater to a wide range of customers and applications we have entered into various agreements and obtained sole distributorships as stated hereinabove. We have also chalked out plans for expansion to enhance our capacities as one of the measures to implement our vision.

Future Prospects

Expansion Plans

The expansion plans undertaken by Astral are two fold:

- Expand existing processing capacities for current product Portfolio
- Add new products to product portfolio, in order to become a complete piping and fitting solution provider to Home, Commercial and Industrial infrastructure development.

The expansion plans are driven by the vision to position Astral as a premier company providing world class water and other fluid transportation infrastructure to domestic, commercial and industrial market. The only segment Astral is not focusing at this point of time is the public distribution systems. This is altogether a different segment in terms of products, expertise, marketing methodologies, user group etc and calls for different areas of resource deployment.

ASTRAL "**BlazeMaster**" is a CPVC based Fire Sprinkler system. Astral has already signed license agreement with Noveon Inc, USA and is already on its way to obtain UL approval for its Pipes. Astral intends to manufacture entire CPVC system in India over a period of 18 months time. We believe that there is a huge local market in offering in India for fire sprinkler systems. Our government has recognized the need for such system and more number of local authorities are making installations of such system in all new and old building compulsory. Astral will be the first producer of such system in India and second in Asia (the other manufacturer is in China). There already exists an export market in Middle East, Africa and other neighboring countries. Astral intends to address to ever growing demands in local market as well as in Middle East and South East Asian countries. In Indian market, CPVC products will replace the stainless steel system without compromising any strength or advantages at much lower price.

Sewerage, waste water and rain water system (SWR) and Under Ground system for Residential, commercial and industrial constructions. This space in the market is serviced by large number of players in unorganized sector. Even the products from leading houses do not follow international standards. We expect that Astral would be the first company to introduce some of the world class products in SWR and underground space in technical collaboration with international players.

Astral is also looking to expand its markets beyond the local markets to neighboring countries, East Africa and Middle East. Most of these markets in developing countries bear the similar characteristics as of Indian market and are looking for internationally accepted plumbing material like CPVC.

ASTRAL POLY TECHNIK LIMITED

Capacity and Capacity Utilisation

The details of the past capacity utilization and future estimates are as follows ;

(in MT)

Capacity	2008-09 (Estimates)	2007-08 (Estimates)	2006-07 (Estimates)	Dec.31, 2006 (Actual)*	2005-06 (Actual)	2004-05 (Actual)	2003-04 (Actual)
Installed	18479	13612	9074	6009	4000	1800	1300
Utilisation	15288	9573	4540	3254	2417	1906	790
% of utilisation	82.73	70.33	50.03 ⁽²⁾	72.20	60.43	105.89 ⁽¹⁾	60.77

(*on an annualized basis)

- ⁽¹⁾ The processing capacities vary for CPVC as compared to PVC. CPVC being the material with higher viscosity takes more processing time as compared to PVC. During the year 2004-05, in addition to CPVC, we also started processing PVC. Whereas our installed capacities were calculated on the basis of CPVC processing, the actual processing of CPVC and PVC came out to be more than 100% of our installed capacity.
- ⁽²⁾ We also propose to add BlazeMaster, SWR ,underground systems and ABS pressure pipes and fittings to our product range. Considering the additions to our product lines. We expect the capacity utilization to go up to 4540 MT during the year 2006-07 as compared to 2417 MT during the year 2005-06.

Intellectual Property Rights

For details regarding to Intellectual Property Rights please refer to our chapter titled "Government Approvals", under section titled "Legal and Regulatory Information" beginning on page 166 of the Prospectus.

Insurance

Our Company avails of insurance for its assets and employees based on management perception of risks and possible loss. Currently, the insurance policies we have availed of include the following:

- i. Fire;
- ii. Burglary;
- iii. Marine Insurance;
- iv. Money Insurance;
- v. Vehicle Insurance;
- vi. Keyman Insurance;
- vii. Workmens' Compensation;
- viii. Group Medclaim;
- ix. Personal Accident (for specified persons), etc.
- x. Machinery break down insurance

Facilities And Infrastructure

Property Details of current owned properties

Sr.No	Date of Agreement	Nature of Agreement	Parties to the Agreement	Description of Property and Area	Total Consideration Paid	Other Remarks, if any
1	March 29, 2006	Memorandum	Mr. Sandeep P. Engineer and Mrs Jagruti Sandeep P. Engineer as the Transferors and our Company as the Transferee	901/1 & 901/2, Parshwa Towers, 9th Floor, Opp. Rajpath Club, S.G.Highway, Ahmedabad. 4640 sq.ft.	Rs. 97,44,000/-	The said premises are allowed to be continued in the name of our Promoter-Directors (Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer) at the risk, cost and consequences of our Company.
2	March 29, 2006	Memorandum	Mr.Sandeep P. Engineer as the Transferors and our Company as the Transferee	904, Parshwa Towers, 9th Floor, Opp. Rajpath Club, S.G.Highway, Ahmedabad. 1400 sq.ft.	Rs. 29,40,000/-	The said premises are allowed to be continued in the name of our Promoter Director (Sandeep P. Engineer) at the risk, cost and consequences of our Company.
3	February 24, 2006	Deed of Sale	Dakshaben D. Patel the Vendor and our Company as the Purchaser	Plot No. 12, S.No. 207 (Part) Final Plot No. 263, Draft Town Planning Scheme No 50 (Bodakdev), Behind Rajpath Club, S.G.Road, Ahmedabad. 1007 sq. Mtrs (1204.37 sq.yards)	Rs. 96,34,960/-	
4	August 24, 2004	Deed of Sale	Vishnuprasad Kothari, Jayendra Kothari, Prakash Kothari, Vandana Kothari and Prashant Kothari as the Vendors and our Company as the Purchaser	Land Bearing Block no. 1264, Mouje Santej, Taluka Kalol, District Gandhinagar	Rs.53,01,515/-	
5	April 24, 1998	Sale Deed	Kairav Chemicals as the Vendor and our Company as the Purchaser	Land Bearing Block no. 1253, Mouje Santej, Taluka Kalol, District Gandhinagar. 21206.06 sq.mtrs	Rs.11,32,100/-	
6	February 17, 2006	Sale Deed	Shakti Fasteners Private Limited as the Vendor and our Company as the Purchaser	Mouja Bated, Pergna Doon, Tehsil Kasauli, District Solan. Himachal Pradesh 8 Bighas and 8 Biswas	Rs. 80,00,000/-	Astral, being a non-agriculturist of HP was to obtain prior permission of HP state govt for purchase which it acquired vide letter No.REV.B.F.(10)-512/2005 dated September 24, 2005. The terms and conditions are a. Permission is valid for 180 days; 1. land to be utilised for the / sanctioned purpose, within two years and if not then it will be vested with the State Govt.

ASTRAL POLY TECHNIK LIMITED

Details of Leasehold/Licensed Properties

Sr. No	Name of the Lessor/ Licensor	Name of the Lessee / Licensee	Description of Property	Type of Agreement	Date	Details of Agreement			Termination Clause		Remarks
						Refundable Security Deposit, if any	Lease Rental per month	Tenure	By Lessor / Licensor	By Lessee / Licensee	
1	Sharmi Rohit Patel	Our Company	Premises No. 803, 8th Floor, Parshwa Towers, S.G. Highway, Ahmedabad.	Leave and Lease Agreement	October 9, 2006	Rs. 16,500/-	Rs.5,775/-	11 months enewable further 4 intervals of 11 months each	15 days on breach by Licensee	One month prior notice	compensation shall be increased by 5% every renewal on cumulative basis
2	Kailashben Patel	Our Company	20, Krishna Estate, Nr. Ganesh Petrol Pump, Rakanpur, Taluka Kalol, Dist. Gandhinagar	Leave and License Agreement	July 1, 2006	Rs. 25,000/-	Rs.7,500/-	12 Months	One month notice	One month notice	
3	Sureshbhai K. Patel	Our Company	21, Krishna Estate, Rakanpur, Taluka Kalol, Dist. Gandhinagar	Leave and License Agreement	July 1, 2006	Rs. 25,000/-	Rs.7,500/-	12 Months	One month notice	One month notice	
4	P. Subhadramma K S Shanthamma K.S Narayanmurthy K R Indira S A Samanthakamani K N Pushpavathamma K N Geetha Lakshmi Nagamani Shekhar D S Vijaya	Our Company	79/2 Magadi Road, Banglore	Lease Agreement	June 16, 2004	Rs.2,75,000/-	Rs.2,625.00 Rs.1,312.50 Rs.1,312.50 Rs.2,625.50 Rs.2,625.50 Rs.2,625.50 Rs.2,625.50 Rs.2,625.50	60 months	3 months advance notice	3 months advance notice	
5	Manivannan	Pravin C Joshi (on behalf of our Company)	Portion of the premises at : 199/A, 1st Floor, 56th Cross Road, 4th Block, Rajajinagar, Banglore	Rent Agreement	Aug. 26, 2006	Rs.80,000/-	Rs.4,200/-	24 months	3 months advance notice	3 months advance notice	Rent will be increased at the rate of 10% after 2 years
6	Satish Kumar Sirpal, Sheeladevi and Poonam Shiral	Our Company	414, Ansal Bldg., 6, Bhikaji Kama Palace, New Delhi	Lease Agreement	May 01 2006	Rs.27,000/-	Rs.25,000/-	24 months, renewable for another 2 years with mutual consent and thereafter for one year		2 months advance notice	
7	Parag and Sunanda Shah	Our Company	138, Udyog Bhavan, Sonawala Road, Goregaon (East) Mumbai	Leave and License Agreement	Dec. 12 2005	Rs.100,000/-	Rs.23,152/-	36 months	3 months advance notice	3 months advance notice	

Sr. No	Name of the Lessor/ Licensor	Name of the Lessee / Licensee	Description of Property	Type of Agreement	Date	Details of Agreement			Termination Clause		Remarks
						Refundable Security Deposit, if any	Lease Rental per month	Tenure	By Lessor / Licensor	By Lessee / Licensee	
8	Astral Polytechnik Pvt. Ltd.	Kairav Chemicals Ltd.	Premises No. 901, 9th Floor, Parshwa Towers, S.G. Highway, Ahmedabad.	Leave and License Agreement	April 1, 2006		Rs. 25,000/-	11 months, 29 days	1 month advance notice	1 month advance notice	
9	Mrs. Meeta B. Patel	Our Company	Office Nos. 803/1 and 803/2, Parshwa Towers, opposite Rajpath club, Sarkhej-Gandhinagar Highway, Ahmedabad	Lease Agreement	October 30, 2006	Rs. 46,500/-	Rs. 15,500/-	11 months	1 month advance notice		
10	Darshan B. Sheth HUF Karta Darshan B. Sheth	Our Company	804, Parshwa Tower, S.G. Highway, Ahmedabad - 380 054	Leave and License Agreement	January 12, 2007	Rs. 57,000/-	Rs. 19,000/-	11 months	1 month advance notice	1 month advance notice	The License Agreement can be renewed at the market rent prevailing at that time with the consent of the licensor.

Purchase of property:

Our Company has acquired premises situated at 901/1, 901/2 and 904, Parshwa Towers, Sarkhej-Gandhinagar Highway, Ahmedabad - 380054 from our Promoters Mr. Sandeep P. Engineer and Mrs Jagruti S. Engineer. The Company has not purchased any other property in which any of its Promoters and / or Directors, have any direct or indirect interest in any payment made thereof except as stated in the chapter titled "Our Business", "Our Management" and "Our Promoters" beginning on pages 60, 102 and 112 of the Prospectus.

Our Company proposes to acquire land as detailed under the chapter titled "Objects of the Issue" beginning on page 23 of the Prospectus.

ASTRAL POLY TECHNIK LIMITED

REGULATIONS AND POLICIES

Our Company operates in the plastic pipes industry. Laws relating to excise, customs, sales tax, pollution control, factory and labour-related matters etc. are applicable to our Company, as they are applicable to all manufacturers.

Our Company has set up its second manufacturing facility at village Bated, District Solan, Tehsil: Kasauli, Himachal Pradesh, making us eligible to enjoy certain concessions and benefits under

- (i) The Industrial Policy Rules regarding Grant of Incentives, Concessions and Facilities to industrial Units in H.P. 2004, and
- (ii) The H.P.-Industrial Renewal and Revival Scheme, 2004.

Further, our Company is also entitled to benefits under Section 80-IA of the Income Tax Act. The benefits as available to us under these schemes and being availed by us, include the following:

1. Our factory is set up in a Category "A" Area of Himachal Pradesh. Therefore, we are exempted from payment of state taxes and duties including concessional central sales tax @ 1% (excluding levies in the shape of cess, fees, royalties, etc.) for a period of 5 years from date of commencement of commercial production;
2. Power concessions, in form of concessional rate of Electricity Duty at the rate of 10 paise per unit for a period of 5 years from date of commencement of commercial production and no electricity duty will be charged from any New Industrial unit on the power generated from their captive power generation sets;
3. Under Section 80IA of the Income Tax Act, 1961, for five financial years with effect from FY 2005-2006, income tax is totally exempted, and for the next five financial years, the exemption percentage is 30%.

The scheme empowers the Directorate of Industries, Himachal Pradesh Government to grant individual benefits and concessions, which are subject to several conditions and restrictions. As per the letter No. Ind. Dev.F(34) Regn.(L&M)-587/2004 dated December 2, 2004, from the Directorate of Industries, Government of Himachal Pradesh, we are required to employ at least 65%, or as prescribed from time to time, of the total manpower employment from amongst the bonafide Himachalis.

THE ELECTRICITY ACT, 2003

The Electricity Act, 2003 (hereinafter referred to as the "Act") was enacted with effect from June 10, 2003 repealing and replacing all the three Acts i.e. Indian Electricity Act, 1910, Electricity (Supply) Act, 1948 and Electricity Regulatory Commissions Act, 1998. The Act seeks to provide for demarcation of the roles of generation, transmission and distribution to provide for individual accountability of each. Some of the major provisions of the Act include inter alia the following:

1. de-licenses generation, makes captive-generation freely permissible;
2. provides open access for transmission, distribution and trading;
3. specifies technical standards, grid standards and safety requirements; and
4. introduces power trading as a distinct activity from power generation, transmission and distribution.

As regards captive power generation, Section 7 of the Act provides that a generating company may establish, operate and maintain a generating station without obtaining a license under this Act if it complies with prescribed technical standards. Section 9(1) of the Act allows any person to construct, maintain or operate a captive generation plant and dedicated transmission lines, subject to the condition that supply of electricity from the captive generating plant through the grid shall be regulated in the same manner as the generating station of a generating company. Section 9(2) of the Act further states that every person who has constructed a captive generating plant and maintains and operates such plant shall have the right to open access for the purposes of carrying electricity from captive generating plant to the destination of his use, subject to availability of adequate transmission facility.

OTHER REGULATIONS

We are also required to obtain registrations and approvals for the purposes of carrying on our business. For the details of the approvals required for our business, refer to the chapter titled "Government Approvals" under section titled "Legal and Regulatory Information" beginning on page 166 of the Prospectus.

HISTORY AND OTHER CORPORATE MATTERS

Our Company was incorporated on March 25, 1996 as ASTRAL POLY TECHNIK PRIVATE LIMITED, under the Companies Act, 1956, with the Registration Number 04-29134. The name of our Company was changed to ASTRAL POLY TECHNIK LIMITED vide fresh Certificate of Incorporation dated September 29, 2006 with Company Identification Number U25200GJ1996PLC029134.

Our Registered Office is situated at 901, Parshwa Tower, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad-380 054. For further details of changes in our Registered Office, please refer to paragraph titled "Changes in Registered Office of our Company" on page 98 of the Prospectus.

Business Overview

We are a manufacturer and provider of CPVC piping and plumbing systems in India since 1999. We are the first licensee of Noveon, USA (formerly known as Specialty Chemical Division of B.F Goodrich, USA) to manufacture and market CPVC piping and plumbing system in India. In order to strengthen our business plans, we entered into a techno-financial joint venture with Specialty Process LLC of USA, which provided us the required technical expertise for manufacturing our CPVC pipes and fittings for home and industrial application.

Over the years, we have expanded and enhanced our product lines to provide continually improved services to our customers. As a manufacturer of CPVC pipes and fittings for hot and cold water, industrial and pressure systems application, we had introduced a new product range in lead free PVC pressure pipes and fittings in the year 2004. With a concept of providing a one-stop source for all the plastic piping systems, we also began trading in products such as CPVC and PVC fittings, flanges and valves from Spears (USA), solvent cements (adhesive solutions) for joining pipes and fittings from IPSC (USA), underground specialty fittings from Hunter (U.K) and CPVC and PVC plastic pipes of a larger diameter from Harvell Inc. (USA)

Our Company has its production facilities at Gujarat and Himachal Pradesh to manufacture plumbing systems from ½" to 8" diameter. Our products include CPVC pipes and fittings for hot and cold water plumbing systems, CPVC industrial piping system for transportation of hazardous and highly corrosive chemicals, lead free PVC systems for cold water application.

Innovative product designs and improvements, new technologies, and a fully integrated manufacturing system are all a part of ASTRAL's ongoing commitment to quality, satisfaction and service.

Our Company has received an ISO 9001:2000 certificate in respect of manufacture and supply of CPVC and PVC pipes and fittings for plumbing systems and industrial piping system. The raw material used by us for manufacturing CPVC products is certified by National Sanitary Foundation (NSF).

Our business has grown at CAGR of 45.17% over a period of 5 years from 2002 to 2006 as reflected in the turnover for the year 2006 which was Rs.5165.38 Lacs as compared to Rs.801.42 Lacs in the year 2002. Our Company enjoys countrywide presence through its extensive distribution network comprising of more than 120 Distributors and 2000+ retail outlets. The products of our Company are very well accepted in all parts of the country though southern and Western India contributes to more than 75% of its business.

Major events in the History of the Company:

Year	Event
1996	Incorporation
1998	Entered into a joint venture with Specialty Process LLC, by signing an agreement for equity and technical collaboration
	Entered into the Corzan Processor Agreement with B.F. Goodrich Co., USA
	Entered into the FlowGuard CPVC Processor Agreement with B.F. Goodrich Co., USA

ASTRAL POLY TECHNIK LIMITED

Year	Event
1999	Launching CPVC in the Indian market
	Commenced production of FlowGuard CPVC products
	Entered into the Technology License Agreement in continuation of the CPVC Processor Agreement with B.F. Goodrich Co., USA
2001	Commenced manufacturing of CPVC fittings
2002	Expansion of manufacturing facilities at Santej, Gujarat
	Setting up of branch offices at Delhi and Mumbai and a sales depot at Bangalore
2003	Received ISO 9001: 2000 Certification
2004	Commenced manufacturing of lead free PVC piping systems in India
	Commenced export sales
	Revalued land and plant and machinery
2005	Setting up our second manufacturing facility at Baddi, Himachal Pradesh
2006	Received an award from Noveon for crossing the mark of 1,000 M.T. CPVC consumption
	Entered into the BlazeMaster Processor Agreement with Noveon
	Received an award from Noveon for being nominated as their first licensees for all their brands viz. FlowGuard, Corzan and BlazeMaster
	Conversion to a public limited company
2007	Received the Corp Excel- National SME Excellence Award - 2006 instituted by Corporation Bank

Changes in Registered Office of our Company:

Date of Change	Previous Address	New Address	Reasons for change
January 16, 1998	59, Nehru Park, Vastrapur, Ahmedabad-380 015	A- 1, Supal Apartments Nehru Park, Vastrapur, Ahmedabad-380 015	Operational Convenience
June 4, 2001	A- 1, Supal Apartments Nehru Park, Vastrapur, Ahmedabad-380 015	901, Parshwa Tower, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad- 380 054	Operational Convenience

Main Objects of our Company:

The main objects of our Company as contained in the Memorandum of Association of our Company are reproduced below:

- "1. To manufacture, weave, prepare, re-process, mould, repair, buy and sell, resell, export, import and deal in all kinds of plastics and plastic goods moulded plastic and toys of all types in particular including plastic liners and sacks of higher density polyethylene, polypropylene, low density polyethylene, plastic granuals, plastic waste materials, pipes, sheets, all kinds of foot wears, gloves, buckles, purses, bags, boxes, belts, containers, packing materials, accessories, fittings and fixtures and wares related plastics goods, articles and products, and compounds, and derivatives intermediaries or compositions used for domestic, industrial agricultural purposes.
2. To carry on the business of manufacturers, traders, distributors, importers, exporters, agents, dealers and processors of compound plastic raw materials, resins and all type of plastic granuals, plastic moulded goods of all kinds and for all purposes and in bottles, containers, tubes, wrapping materials, foams, and plastic products.

3. To carry on the business of manufacturers and dealers in all kinds of plastic materials, industry styrene, polystyrene, vinyl chloride, poly vinyl chloride, polyethelene, polyoeifines, vinyl acetate and copolymers and other products, acrylics and polyester polycarbonates and polyrthers and epoxy resins and compositions, nylons, raisin and thermoplastics, moulding compositions including prefabricated sections and shapes, cellulosic plastics and thermosetting and thermoplastic materials (of synthetic and natural origin)
4. To carry on business as manufacturers, producers, growers, fabricators, processors, refiners, stockists, agents, importers, exporters, traders, whole-sellers, retailers, distributors, concessionaires, or dealers of drugs, medicines, spirits, mixtures, tonics, pigments, powder, tablets, pills capsules, injections, compounds mother tinctures, triturations, glubules, creams, scents, soaps, lotions, shampoo, toilet goods and all kinds of pharmaceuticals, cosmetics and medical preparations required or used in homeopathic, allopathic, ayurvedic, unani or nature cure or any other medicinal system or branch of medicine or as beauty aid or personal hygiene whether for human, animals, birds, insects for whatever purposes, such as prevention, curation and nourishments."

The Main Objects and the objects incidental or ancillary to the main objects set out in the Memorandum of Association of our Company enables us to undertake activities for which the funds are being raised in the Issue. The existing activities of our Company are in accordance with the Objects Clause of our Memorandum of Association.

Changes In The Memorandum Of Association

Date of Change	Change
April 15, 1998	Increase in Authorised Share Capital from 10,000 Equity Shares to 10,00,000 Equity Shares of Rs.10/- each.
August 17, 1998	Increase in Authorised Share Capital from 10,00,000 Equity Shares to 12,50,000 Equity Shares of Rs.10/- each aggregating to Rs.125 Lacs.
January 15, 2001	Increase in Authorised Share Capital from 12,50,000 Equity Shares to 12,50,000 Equity Shares of Rs.10/- each and 7,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.200 Lacs.
December 3, 2001	Reclassification of Authorised Share Capital 12,50,000 Equity Shares of Rs.10/- each and 7,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.200 Lacs reclassified as 15,00,000 Equity Shares of Rs.10/- each and 5,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.200 Lacs.
February 25, 2002	Increase in Authorised Share Capital from 15,00,000 Equity Shares of Rs.10/- each and 5,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.200 Lacs to 17,50,000 Equity Shares of Rs.10/- each and 15,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.325 Lacs.
March 25, 2003	Reclassification of Authorised Share Capital 17,50,000 Equity Shares of Rs.10/- each and 15,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.325 Lacs reclassified as 17,00,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.325 Lacs.
January 07, 2006	Increase in Authorised Share Capital from 17,00,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.325 Lacs to 64,50,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.800 Lacs.
March 27, 2006	Increase in Authorised Share Capital from 64,50,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.800 Lacs to 94,50,000 Equity Shares of Rs.10/- each and 15,50,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.1,100 Lacs.

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Date of Change	Change
September 29, 2006	Change of name from Astral Poly Technik Private Limited to Astral Poly technik Limited.
September 29, 2006	Reclassification of Authorised Share Capital 15,50,000 Redeemable Preference Shares of Rs. 10/- each and 94,50,000 Equity Shares of Rs. 10/- each reclassified as 1,10,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 1,100 Lacs.
September 29, 2006	Increase in Authorised Share Capital from 1,10,00,000 Equity Shares of Rs. 10/- each to 1,50,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 1500 Lacs.

Our Subsidiaries

We do not have any subsidiaries as on the date of filing the Prospectus.

Shareholders Agreement

There is no Shareholders' Agreement among our shareholders in relation to our Company, except for the joint venture agreement mentioned in the paragraph titled "Other Agreements" hereinbelow.

Other Agreements

Except for the agreement mentioned hereunder, we are not a party to, or have entered into, any other material contracts not being a contract:

- (i) entered into in the ordinary course of our business carried on, or intended to be carried on, by us; or
- (ii) entered into more than two years before the date of filing the Prospectus with SEBI.

We (our Company) is referred in the given agreement as "APTPL") are a party to a **"JOINT VENTURE AGREEMENT"** dated April 6, 1998, entered into with Specialty Process LLC (hereinafter referred to as "SPL"), an American Corporation having its office at Huntsville, AL 35811, USA, represented by its President Mr. Kyle A. Thompson and Vice President Mr. Kirk A. Thompson. This Agreement has been renewed by Deed of Confirmation dated October 16, 2006.

Salient terms of the Agreement are summarized hereinbelow:

- 1 SPL may hold equity in APTPL, the Joint Venture Company (JVC) in a mutually decided proportion along with promoters of APTPL, either directly indirectly;
- 2 SPL shall hold 20% interest in the equity capital of JVC during the tenure of this Agreement. The JVC shall issue equity shares at par in favour of SPL in such proportion so that the post issue stake stands at 20% of paid up equity capital of the Company.
- 3 The JVC shall always issue fresh equity capital in such proportion to the Promoters of the Company that the stake of SPL does not fall below 20% in the paid up equity capital of the Company.
- 4 Initial capital of the JVC shall be Rs. 100 Lacs, of which SPL shall hold 20%, that is Rs. 20 Lacs. The capital of the JVC shall be increased as per business requirements.
- 5 The Board of Directors of the JV Company shall consist of minimum six Directors, of which SPL shall have the right to nominate 2 Directors to represent their interest. The maximum size of the Board can be extended to 8 Directors with representation of 2 Directors by SPL.
- 6 All the decisions of the Board of Directors shall require the affirmative vote of majority of the members of the Board.
- 7 This Agreement shall remain in force for a period of 5 years from the effective date, unless earlier terminated as stipulated hereinbelow. This Agreement has been extended for a period of five years, that is till April 5, 2008.
- 8 SPL has covenanted to provide APTPL know-how and assistance in several areas, including the following:
 - (i) Information, designs tools and advise in many areas of CPVC pipes and fittings manufacturing;
 - (ii) Preparing layout of production equipments, estimating utility requirements, space requirements, etc.;

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- (iii) Provide key equipments, designs and specifications;
 - (iv) Establish quality assurance programme;
 - (v) Provide training to production personnel in India;
 - (vi) Setting up administrative and office procedure;
 - (vii) Provide technical information and assistance necessary to keep JVC aware of and able to use latest technology;
 - (viii) All technical data, information, designs and specifications of key equipments, training, advise, consultations, etc. required for the joint venture business are to be made available free of charge;
- 9 APTPL cannot carry on any business other than the joint venture business as contemplated in that agreement.
- 10 In case of sale or transfer of shares held by SPL, holders of APTPL have pre-emptive right to buy shares at market price prevailing on date of transfer. Similarly, in case of transfer by any Indian shareholder of APTPL, the other existing Indian shareholders will have first right to buy them, and failing them, SPL will have second right to buy such shares at fair market value prevailing on date of transfer.
- 11 This Agreement is governed by the laws of India.

However, we have received a No Objection Certificate from SPL dated November 16, 2006 wherein SPL has explicitly waived its rights, whatsoever, arising out of the above mentioned joint venture agreement, in respect of the restrictive covenants contained therein.

A copy of this Agreement and the No Objection Certificate are available for inspection as a material document at the Registered Office of our Company. For details, refer to chapter titled "Material Contracts And Documents For Inspection" under section titled "Other Information" beginning on page 230 of the Prospectus.

Strategic Partners

Other than the joint venture as stated hereinabove, under "Other Agreements", our Company does not have any strategic partners.

Financial Partners

Other than the joint venture as stated hereinabove, under "Other Agreements", our Company does not have any financial partners.

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OUR MANAGEMENT

Particulars Of Directors

Full Name, Designation, Father's Name, Address and Occupation	Nature	Age	Qualifications	Date of Appointment and tenure	Other Directorships held, if any.
Mr. K. Raghunath Shenoy Son of Mr. Katapadi Madhav Shenoy Independent and Non-Executive Chairman Nalanda, 1st Cross Road, Chilimbi Hills, Mangalore-575 006 Financial Advisor	Independent	63	M.Sc. (Statistics)	September 23, 2006 till next Annual General Meeting	Nil
Mr. Sandeep P. Engineer Son of Mr. Pravin Engineer Managing Director 59, Nehru Park, Vastrapur Ahmedabad - 380 015 Industrialist	Non Independent	45	B.E. (Chem.)	Since incorporation. Was re-appointed on April 1, 2006 for a period of five years	Kairav Chemicals Ltd.
Mrs. Jagruti S. Engineer Wife of Mr. Sandeep P. Engineer Executive Director 59, Nehru Park, Vastrapur Ahmedabad - 380 015 Industrialist	Non Independent	41	B.A. (Hon) English	Since incorporation Was re-appointed on September 1, 2006 for a period of five years	Kairav Chemicals Ltd.
Mr. Nimish G. Dalal Son of Mr. Girish Dalal Non-Executive Director 8304, Preserve Parkway, Manlius, Newyork 13104-8351 Service	Non Independent	35	M.S., Ph. D.	December 15, 1996 Liable to retire by rotation	Nil
Mr. Kyle A. Thompson Son of Mr. Bernard Lee Thompson Non-Executive Director and Nominee Director of Specialty Process LLC 102 Season Lane Huntsville, AL 35761 USA Industrialist	Non Independent	45	Electronic Technologist GPA	December 1, 1997 Liable to retire by rotation	Specialty Process LLC
Mr. Pradip N. Desai Son of Mr. Natwarlal V. Desai Non-Executive and Independent Director 434/5, "SUVAS BUNGALOW", Law College Road, Ellisbridge, Law Garden, Ahmedabad-380006 Business	Independent	55	B.Sc with Physics	September 23, 2006 till next Annual General Meeting	1. N. Desai Papers Pvt. Ltd. 2. Pam Papers Pvt. Ltd.

Brief Profile of the Directors :

1. **Mr. K. Raghunath Shenoy**, aged 63 years, is an M. Sc. (Statistics) from Mumbai University. He possesses experience of 37 years in the banking sector. He was the Chairman and CEO of Lakshmi Vilas Bank Ltd., Karur, Tamil Nadu till 2002. He has also served in various positions and retired as an Executive Director of Corporation Bank Ltd in 1992. He has also served in the RBI during the period 1965-1973 as a Statistical Assistant (3 years) and Staff Officer Grade A (5 years). Presently he is a director of an NGO in Bangalore and a member of the Executive Committee of Bhartiya Vidya Bhavan.
2. **Mr. Sandeep P. Engineer**, aged 45 years, is a Chemical Engineer by qualification. He started his career as Project Engineer in Cadila Laboratories Limited. After gaining an experience for around a year, he decided to promote M/s Shree Chemicals, a proprietorship concern, in the year 1986, which was operational for about 10 years. Thereafter, in the year 1992, he promoted Kairav Chemicals Private Limited, a pharmaceutical venture for the manufacture of bulk drugs. Inspired by the success achieved in this venture, he diversified into the business of plastic-pipe industry by collaborating with Specialty Process LLC, for further growth and development of our Company, for introduction of CPVC in the Indian markets, thereby revolutionizing the Indian plastic-pipe industry by replacing the conventional metallic system with polymer products. Under his guidance, our Company has witnessed a steady growth over the years.

Presently, he is the member of Executive Committee of the Indian Plumbing Association, and Chairman of the Gujarat Chapter of the association, and also a member of the World Plumbing Council.
3. **Mrs. Jagruti S. Engineer**, aged 41 years, is a Bachelor of Arts in English by qualification. She started her career as a partner in M/s Jagruti Pharmaceuticals till the year 1992. She has been actively involved in the day-to-day affairs of our Company since its inception. She is responsible for the daily administrative activities of our Company. She also possesses experience in activities related to Human Resource Management.
4. **Mr. Nimish G. Dalal**, aged 35 years, holds a Ph.D in bio-molecular engineering from United States of America. He possesses rich experience in research and development of new products in the emerging field of bio-molecular engineering. Presently, he is working as a research scientist in the United States of America, in the field of human medicines. He has been instrumental in developing commercial relations with Specialty Process LLC.
5. **Mr. Kyle A. Thompson**, aged 45 years, is an Associate in Electronics from United States of America. He was a Director in Thompson Plastics Inc., a CPVC manufacturing company, situated at USA, promoted by his father Mr. Bernard Thompson.
6. **Mr. Pradip N. Desai**, aged 55 years is a B.Sc. (Physics) from Gujarat University. He started his career by setting up his sole proprietorship firm which was a manufacturing unit of PVC conduit pipes and pressure pipes which was operational for seven years. He was the secretary and president of the Paper Merchants' Association, Ahmedabad, for six years and a committee member of the Gujarat Chamber of Commerce for ten years and the vice president of the All India Federation of Paper Traders' Association. He is also the director of N. Desai Papers Private Limited, which is a distribution company to distribute paper manufactured by Ballarpur Paper Mills Limited.

Details of Borrowing Powers of Directors

The borrowing powers of our Board of Directors are regulated by Articles 86 to 89 of the Articles of Association of our Company. For further details regarding provisions of our Articles of Association dealing with borrowing powers, please refer section titled "Main Provisions of the Articles of Association of the Company" beginning on page 196 of the Prospectus.

The shareholders of our Company have passed a resolution at the AGM of our Company held on August 10, 2006, authorising the Board of Directors of our Company pursuant to Section 293(1)(d) of the Companies Act, 1956 to borrow moneys on behalf of our Company in excess of our paid-up share capital and free reserves provided the amount so borrowed does not exceed Rs. 6,500 Lacs.

Compensation of Managing Director/ Executive Directors

Mr. Sandeep P. Engineer: Managing Director

Our shareholders, at the EGM held on March 27, 2006, approved re-appointment of Mr. Sandeep P. Engineer as Managing

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Director of our Company with effect from April 1, 2006 for a period of five years.

The total remuneration paid to Mr. Sandeep P. Engineer for the Financial Year 2005-06 is Rs.24 Lacs. However, at the aforesaid meeting the following resolution has been approved by our shareholders for compensation payable to Mr. Sandeep P. Engineer.

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956 and Section 269 Mr. Sandeep P. Engineer be and is hereby appointed as the Managing Director for a period of five years with effect from 1st April, 2006.

RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956 the remuneration of Mr. Sandeep P. Engineer be increased from time to time by the Board of Directors provided the aggregate amount does not exceed Rs. 50,00,000/- (Rupees Fifty Lacs) per annum with effect from 1st April, 2006.

FURTHER RESOLVED THAT any one of the Directors be and is hereby authorised to file the necessary forms, complete the formalities and do all such other acts and deeds as may be deemed essential and necessary to give effect to the above resolution."

Mrs. Jagruti S. Engineer: Executive Director

Our shareholders at the AGM held on August 10, 2006, approved re-appointment of Mrs. Jagruti S. Engineer as Executive Director of our Company with effect from September 1, 2006 for a period of five years

The total remuneration paid to Mrs. Jagruti S. Engineer for the Financial Year 2005-06 is Rs.7.20 Lacs. However, at the aforesaid meeting the following resolution has been approved by our shareholders for compensation payable to Mrs. Jagruti S. Engineer

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956 and Section 269 appointment of Mrs. Jagruti S. Engineer as Executive Director of the Company for a further period of five years w.e.f. 1st September, 2006 be and is hereby rectified.

RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956 the remuneration of Mrs. Jagruti S. Engineer be increased from time to time by the Board of Directors provided the aggregate amount does not exceed Rs. 50,00,000/- (Rupees Fifty Lacs) per annum with effect from 1st September, 2006.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorised to file the necessary forms, complete the formalities and do all such other acts and deeds as may be deemed essential and necessary to give effect to the above resolution."

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI Guidelines in respect of corporate governance will be applicable to our Company at the time of seeking in-principle approval for listing of our Company's Equity Shares on the Stock Exchanges. Our Company undertakes to adopt the corporate governance code as per Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges prior to listing.

Our Company believes in adopting the best corporate governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of our Company.

At present, the following committees of the Board, *inter alia* have been formed:

Audit Committee

The Audit Committee of our Board was constituted at our Board meeting held on September 23, 2006. The Audit Committee currently consists of the following Directors:

1. Mr. K. Raghunath Shenoy - Chairman
2. Mr. Sandeep P. Engineer - Member
3. Mr. Pradip N. Desai - Member

The terms of reference of the Audit Committee are as follows:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 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.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of internal auditors
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (1) 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;
 - (2) Changes, if any, in accounting policies and practices and reasons for the same;
 - (3) Major accounting entries involving estimates based on the exercise of judgement by management;
 - (4) Significant adjustments made in the financial statements arising out of audit findings;
 - (5) Compliance with listing and other legal requirements relating to the financial statements;
 - (6) Disclosure of any related party transactions;
 - (7) Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Monitoring the use of the proceeds of the proposed initial public offering of the Company.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- 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.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing internal audit reports in relation to internal control weaknesses
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors
- 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.
- 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.
- 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.
- To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.

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Shareholders'/Investors' Grievance Committee

The Shareholders' /Investor Grievance Committee of our Board was constituted at our Board meeting held on September 23, 2006. The Shareholders'/ Investor Grievance Committee currently consists of the following Directors:

1. Mr. K. Raghunath Shenoy - Chairman
2. Mr. Sandeep P. Engineer - Member
3. Mr. Pradip N. Desai - Member

The terms of reference of the Shareholders'/Investors' Grievance, Share Allotment and Share Transfer Committee are as follows:

“To allot the equity shares of the Company, and to supervise and ensure

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- Issue of duplicate / split / consolidated share certificates;
- Allotment and listing of shares;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.”

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 12 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchanges. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 1992 when applicable.

Shareholding of our Directors

As per our Articles, our Directors are not required to hold any Equity Shares in our Company. Save and except as below, our Directors do not hold any Equity Shares in our Company as on the date of filing of the Prospectus:

Name of the Shareholder	Number of Shares	% of Pre-Issue Equity Capital
Mr. Sandeep P. Engineer	17,37,724	21.02
Mrs. Jagruti S. Engineer	9,14,341	11.06
Mr. Nimish G. Dalal	6,29,417	7.61
Mr. Pradip N. Desai	38,571	0.47

Interest of Promoters and Directors

All our Directors (including Promoter 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. All our Promoters and Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives directly or indirectly in our Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of the Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Company has entered into the following Agreements with our Promoters and Promoter Group Companies for purchase/ licensing of property, within two years, preceding the date of filing the Prospectus:

Sr. No.	Particulars of Agreement	Consideration
1.	Memorandum dated March 29, 2006 entered into between our Promoters, Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer ("the Transferors") and our Company ("the Transferee") by virtue of which the premises situated at 901/1 and 901/2, Parshwa Towers, 9th Floor, Opp. Rajpath Club, S.G.Highway, Ahmedabad, admeasuring 4640 sq.ft.(2320 sq.ft. each) is sold to our Company. The said premises are allowed to be continued in the name of our Promoter Directors (Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer) in their capacity as Directors of our Company and for and on behalf of our Company, at the risk, cost and consequences of our Company.	Rs. 97,44,000/-
2.	Memorandum dated March 29, 2006 has been entered into between our Promoters, Mr. Sandeep P. Engineer ("the Transferor") and our Company ("the Transferee") by virtue of which the premises situated at 904, Parshwa Towers, 9th Floor, Opp. Rajpath Club, S.G.Highway, Ahmedabad, admeasuring 4640 sq.ft.(2320 sq.ft. each) is sold to our Company. The said premises are allowed to be continued in the name of our Promoter Director (Mr. Sandeep P. Engineer) in his capacity as Director of our Company and for and on behalf of our Company, at the risk, cost and consequences of our Company.	Rs. 29,40,000/-
3.	Leave and License Agreement dated April 1, 2006 has been entered into between our Company ("Licensor") and our Promoter Group Company, Kairav Chemicals Ltd. ("Licensee") by virtue of which the premises situated at 901, 9th Floor, Parshwa Towers, S.G. Highway, Ahmedabad have been licensed to the Licensee for a period of 11 months and 29 days with an option to renew the licence for a further period of 11 months and 29 days on mutually acceptable terms.	Monthly License fee of Rs.25,000/-

For further details regarding these agreements, refer chapter titled "Our Business" under section titled "About Us" beginning on page 60 of the Prospectus.

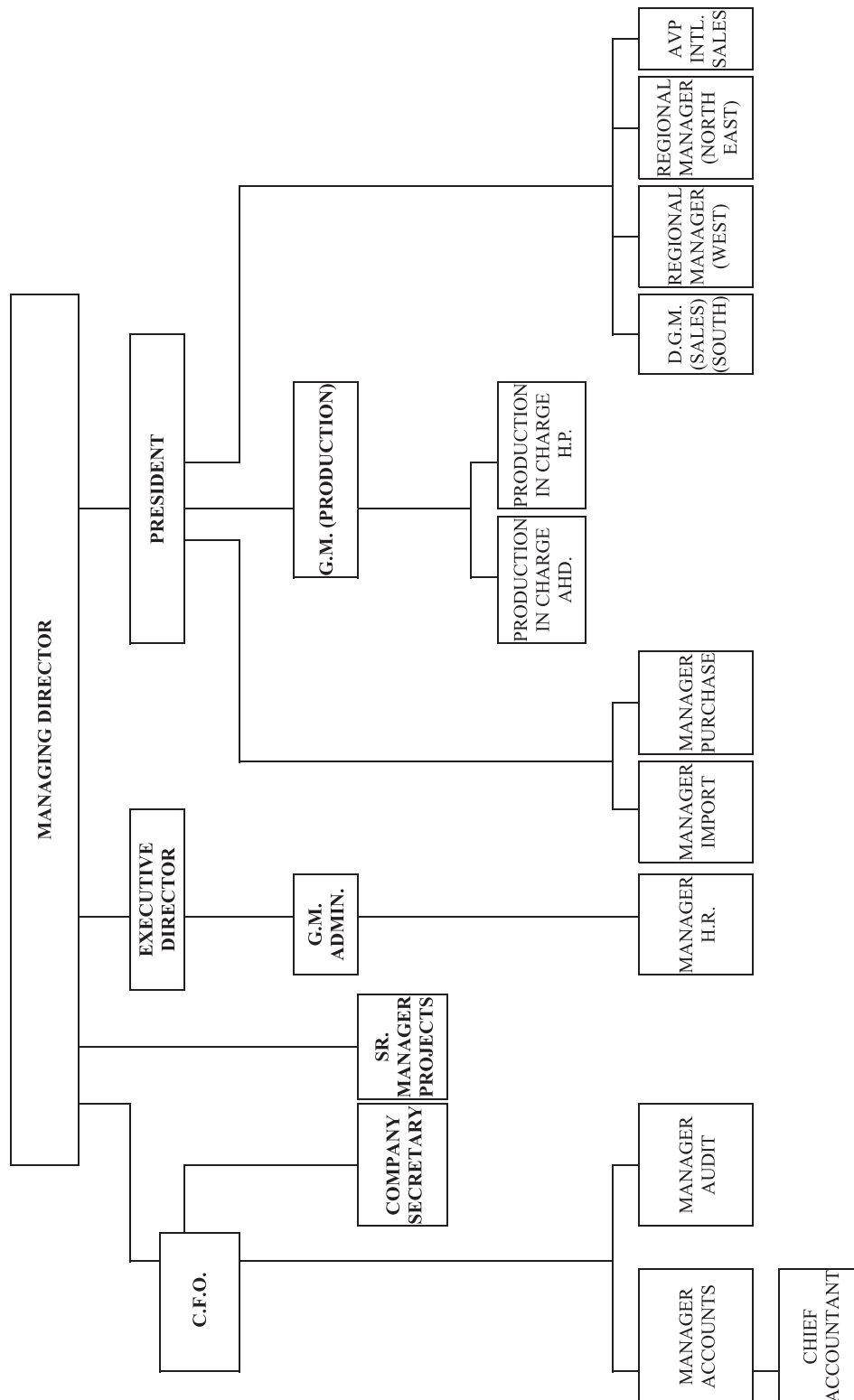
In addition to the aforesaid, our Company has entered into a joint venture agreement with one of our Promoters, SPL. For details regarding the same and consequent interest of SPL arising therefrom, please refer chapters titled "History and Other Corporate Matters" and "Our Promoters" under section titled "About Us" beginning on pages 97 and 113 of the Prospectus respectively.

Changes in Board of Directors in the last three years

The changes in the Board of Directors of the Company in the last three years are as under :

Name of the Director	Date of Change	Reasons for change
Mrs. Tarlika G. Dalal	September 23, 2006	Resigned as Director
Mr. Kirk A. Thompson	September 23, 2006	Resigned as Director
Mr. K. Raghunath Shenoy	September 23, 2006	Appointed as Additional Director
Mr. Pradip N. Desai	September 23, 2006	Appointed as Additional Director

ORGANISATION CHART



Key Management Personnel:

Our Key managerial personnel, other than our whole-time Directors, are as under:

Sr. No	Name & Address	Designation	Age (Years)	Qualifications	Date of Joining	Experience		Present profile and responsibilities	Remuneration (Rs. In Lacs) for 05-06	Previous Employment
						Our Company (approx.)	Total experience (approx.)			
1.	Mr. Mayur M. Vakil	President	49	PGDBM, PGDMM	March 8, 2004	2 years and 8 months	27 years	In charge of the production and marketing of our Company	13.37	Vice President- Supreme Industries Ltd.
2.	Mr. Bipin R. Mehta	General Manager- Administration	68	B.E. (Civil)	October 1, 2006	4 months	45 years	In charge of the general administration of our Company	N.A.*	Business
3.	Mr. Lalit M. Trivedi	General Manager- Production	54	Diploma in Plastics	October 23, 1998	8 years	32 years	In charge of the production and operations department of the Company	5.52	Manager - Operation & Quality Control - M/s Ocean Agro India. Ltd.
4.	Mr. Hiranand Savlani	Chief Financial Officer	38	FCA, ACS, ICWA, LLB	September 26, 2003	3 years	14 years	Responsible for all the finance and accounts of the Company	4.87	Finance Consultant- Dynamic Industries Ltd.
5.	Mr. Chirag Pandya	Senior Manager -Projects	36	PGDMM, B.E. (Mech.)	May 16, 2006	7 months	14 years	Looking after project work Of our Company	N.A.*	Regional Manager - Ferromatik Milacron India Ltd.
6.	Mr. Lokesh Dave	Company Secretary	30	B.COM, LLB, ACS	July 17, 2006	6 months	2 years	Looking after secretarial compliances	N.A.*	Assistant Company Secretary; Royal Manor Hotels & Industry Ltd.

(* Not applicable as appointed after March 31, 2006)

All the aforesaid persons named as our Key Managerial Personnel are the permanent employees of our Company.

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Relationship of our Key Managerial Personnel with our Promoters, Directors and other Key Managerial Personnel

Except for:

- (i) Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer, who are related to each other as husband and wife; and
- (ii) Mr. Bipin R. Mehta, who is the father of our Promoter and Executive Director, Mrs. Jagruti S. Engineer and father-in-law of our Promoter and Managing Director Mr. Sandeep P. Engineer

none of our other Key Managerial Personnel are related to any of our Promoters, Directors or other Key Managerial Personnel of our Company.

Details of Shareholding of our Key Managerial Personnel in our Company

None of our Key Managerial Personnel hold any shares in our Company except as given below:

Sr. No.	Name of the Shareholder	Number of Shares
1.	Mr. Mayur M. Vakil (jointly with Leena Vakil and Ateet Vakil)	63,500
2.	Mr. Bipin R. Mehta	65,030
3.	Mr. Lalit M. Trivedi	30,000
4.	Mr. Hiranand Savlani	40,000
5.	Mr. Chirag Pandya	4,000

Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no bonus or profit sharing plan with our key managerial personnel save and except the bonus paid including under the Payment of Bonus Act to our key managerial personnel.

Changes in the Key Managerial Personnel

The details of the changes in the key managerial personnel during the last three years are as follows;

Sr. No	Name	Designation	Date of Change	Reasons for change
1	Mr. Mayur M. Vakil	President	March 8, 2004	Appointed
2	Mr. Bipin R. Mehta	General Manager-Administration	October 1, 2006	Appointed
3	Mr. Chirag Pandya	Senior Manager-Projects	May 16, 2006	Appointed
4	Mr. Lokesh L. Dave	Company Secretary	July 17, 2006	Appointed

Interest of Key Managerial Personnel

For interest of our key managerial personnel being our whole-time Directors, please refer paragraph titled "Interest of Promoters and Directors" on page 106 of the Prospectus.

Mr. Bipin R. Mehta, as a relative of Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer, may be deemed to be interested in the contracts referred to in the paragraph titled "Interest of Promoters and Directors" on page 106 of the Prospectus.

Manpower

The recruitment procedure for the appointment of employees of our Company has been detailed hereinbelow:

1. Shortlisting of suitable candidates through advertisements, consultants and other available resources of manpower supply.
2. The shortlisted candidates are interviewed by the concerned Head's of Departments and then by the Managing Director.
3. Finally, the successful candidates who are selected pursuant to the interviews are appointed and they are provided with their appointment letters.

We have 320 employees working as on January 16, 2007. The details of manpower employed by us are as follows :

Category of Manpower	Registered Office, branch offices and Gujarat Unit	HP unit
Technical Staff	12	16
General Staff	79	4
Supervisors	6	3
Workers	84	87
Managers & Above	29	-
Total	210	110

Employees

As on date of filing the Prospectus with ROC, our Company does not have any employee stock option scheme or employee stock purchase scheme.

No amount or benefit has been paid or given within two preceding years or are intended to be given to any of our employees (including whole-time Directors) except the normal remuneration for services rendered as employees and dividend on Equity Shares, if any, held by them.

ASTRAL POLY TECHNIK LIMITED

OUR PROMOTERS

The Promoters of our Company are:

1. Mr. Sandeep P. Engineer
2. Mrs. Jagruti S. Engineer
3. Mr. Nimish G. Dalal
4. Mrs. Tarlika G. Dalal
5. Specialty Process LLC



Mr. Sandeep P. Engineer

Mr. Sandeep P. Engineer, aged 45 years, is a Chemical Engineer by qualification. He started his career as Project Engineer in Cadila Laboratories Limited. After gaining an experience for around a year, he decided to promote M/s Shree Chemicals, a proprietorship concern, in the year 1986, which was operational for about 10 years. Thereafter, in the year 1992, he promoted Kairav Chemicals Private Limited, a pharmaceutical venture for the manufacture of bulk drugs. Inspired by the success achieved in this venture, he diversified into the business of plastic-pipe industry by collaborating with Specialty Process LLC, for further growth and development of our Company, for introduction of CPVC in the Indian markets, thereby revolutionizing the Indian plastic-pipe industry by replacing the conventional metallic system with polymer products. Under his guidance, our Company has witnessed a steady growth over the years.

Presently, he is the member of Executive Committee of the Indian Plumbing Association, and Chairman of the Gujarat Chapter of the Indian Plumbing Association, and also a member of the World Plumbing Council.

The personal details of Mr. Sandeep P. Engineer are as under:

Driving License no. : GJ01/409564/01
Passport Number : Z1025449
PAN Number : AABPE1175D
Voter I.D. : GJ/11/064/832985
Bank Account Number : SB/01/000645, Corporation Bank,
Sarkhej Highway, Bodakdev, Ahmedabad.





Mrs. Jagruti S. Engineer

Mrs. Jagruti S. Engineer, aged 41 years, is a Bachelor of Arts in English by qualification. She started her career as a partner in M/s Jagruti Pharmaceuticals till the year 1992. She has been actively involved in the day-to-day affairs of our Company since its inception. She is responsible for the daily administrative activities of our Company. She also possesses experience in activities related to Human Resource Management.

The personal details of Mrs. Jagruti S. Engineer are as under:

Driving License no. : GJO1/101690/99
Passport Number : F2092510
PAN Number : AAAP5640C
Voter I.D. : GJ/11/064/832986
Bank Account Number : SB/01/000644, Corporation Bank, Sarkhej Highway,
Bodakdev, Ahmedabad.

	<p>Mr. Nimish G. Dalal</p> <p>Mr. Nimish G. Dalal, aged 35 years, holds a Ph.D in bio-molecular engineering from United States of America. He possesses rich experience in research and development of new products in the emerging field of bio-molecular engineering. Presently, he is working as a research scientist in the United States of America, in the field of human medicines. He has been instrumental in developing commercial relations with Specialty Process LLC.</p> <p>The personal details of Mr. Nimish G. Dalal are as under:</p> <p>Driving License no. : 850 193 294</p> <p>Passport Number : 211222386</p> <p>PAN Number : AATPD0937E</p> <p>Voter I.D. : Not Available</p> <p>Bank Account Number : 9837512939, M&T Bank, New York.</p>
	<p>Mrs. Tarlika G. Dalal</p> <p>Mrs. Tarlika G. Dalal, aged 58 years, an Arts graduate from Gujarat University. She has migrated to the United States of America. At present, she is the head of the nursing department of a hospital in Cleveland, United States of America.</p> <p>She does not have any experience in our Company's line of business.</p> <p>The personal details of Mrs. Tarlika G. Dalal are as under:</p> <p>Driving License no. : RT780488</p> <p>Passport Number : F4941870</p> <p>PAN Number : ABKPD1510B</p> <p>Voter ID : Not Available</p> <p>Bank Account Number : 500400-0009 Lakeshore Community Credit Union.</p>

Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer are related to each other as husband and wife.

Specialty Process LLC

Specialty Process LLC was formed as a Limited Liability Corporation bearing registration number EIN: 72 1374973 on May 21, 1997 by Mr. Bernard Thompson, Mrs. Mary Thompson, Mr. Kyle A. Thompson and Mr. Kirk A. Thompson. The registered office of the company is situated at 102 Season Lane, Huntsville, AL 35811 USA. Its primary purpose was to serve as an entity to provide international consulting to companies needing assistance in processing CPVC pipes and fittings. Specialty Process LLC has worked with a number of companies to provide equipment, train personnel and assist with trouble shooting of their processes. At present, Specialty Process LLC is actively involved inter-alia in providing technical and financial support to our Company.

The Board of Directors of Specialty Process LLC currently comprises of :

Name of the Director	Designation
Mr. Kyle A. Thompson	Director
Mr. Kirk A. Thompson	Director

ASTRAL POLY TECHNIK LIMITED

The shareholding pattern of Specialty Process LLC as on August 23, 2006 is as follows:

Name of the Shareholder	Number of Shares Held	%age of Shareholding
Mr. Kyle A. Thompson	500	50
Mr. Kirk A. Thompson	500	50

Financial Performance of Specialty Process LLC in the last three years : (in US Dollars)

Particulars	FY 2005	FY 2004	FY 2003
Income (Taxes are paid on personal income)	9,205	690	(722)
Equity Share Capital	4,16,755	3,17,550	3,16,260
Reserves and Surplus (excluding revaluation reserves)	2,618	3,413	2,122
Earning Per Share (EPS)	9.205	0.690	(0.722)
Book Value Per Share	416.755	317.550	316.260

Other details of Specialty Process LLC:

Employer Identification Number : 72-1374973

Bank Account Details : 0017583462, AmSouth Bank, Huntsville, USA.

There has been no change in the management of Specialty Process LLC since its incorporation.

We confirm that the Permanent Account Number, Passport Number and Bank Account Number of all the above individual promoters have been submitted to BSE and NSE at the time of filing the Draft Prospectus with them.

We confirm that the bank account number, employer identification number of our corporate Promoter, Specialty Process LLC, have been submitted to BSE and NSE at the time of filing the Draft Prospectus with them.

Common Pursuits

One of our Promoters, Specialty Process LLC, provides inter alia technical support and assistance to us in terms of the joint venture agreement dated April 6, 1998, as more particularly described in the chapter titled "History and Other Corporate Matters" under section titled "About Us" beginning on page 97 of the Prospectus. We have not entered into any exclusive arrangement, non-competition or secrecy obligation binding our Promoter in relation to our Company. Our Promoter, Specialty Process LLC, may directly or indirectly engage in common pursuit with us by providing technical assistance or entering into technical collaboration with any person or entity including any competitors or potential competitors, and furnish any information and/or technology including those furnished or being furnished to our Company.

Interest /Payment or Benefit to our Promoters

Except for:

1. the consideration paid to our Promoters, Mr.Sandeep P. Engineer and Mrs.Jagruti S.Engineer for purchase of properties and one property given on leave and license to Kairav Chemicals Limited, our Promoter Group company, as stated in the chapter titled "Our Business" under section titled "About Us" beginning on page 60 of the Prospectus;
2. the remuneration paid to Mr. Sandeep P. Engineer and Mrs. Jagruti S. Engineer as whole-time Directors;
3. dividend paid to Specialty Process LLC on the Preference Shares held by them as per dividend declared for each financial year, till the date of conversion.

we have not paid any amount or given any benefit to our Promoters within two years before filing the Prospectus with RoC, neither is any such amount or benefit proposed as on the date of filing the Prospectus with RoC.

Related Party Transactions

The aggregate value of Related Party Transactions for the previous three years is as follows.

Year	Value (Rs. In Lacs)
2003-04	222.14
2004-05	333.85
2005-06	508.50
Total	1064.49

For a list of our related party transactions, please refer section titled "Financial Statements" beginning on page 118 of the Prospectus.

Currency of Presentation

Throughout the Prospectus unless the context otherwise requires all references to "Rupees" / "Rs." is the legal currency of the Republic of India.

ASTRAL POLY TECHNIK LIMITED

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial requirements. The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

The Company has declared preference dividend in the last five years as detailed below:

Particulars	Face Value (Rs.)	Year ended March 31, 2006		Year ended March 31, 2005		Year ended March 31, 2004	Year ended March 31, 2003	Year ended March 31, 2002
		Dividend Per Share Rs.	Amount Rs. in Lacs	Dividend Per Share Rs.	Amount Rs. in Lacs			
6% Preference Shares	10/-	0.30	2.20	0.30	2.20	NIL	NIL	NIL
9% Preference Shares	10/-	0.45	3.18	0.45	3.18	NIL	NIL	NIL
Total			5.38		5.38	NIL	NIL	NIL

No dividend has been declared on Equity Shares of our Company since our incorporation.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

As on date of filing the Prospectus with ROC, our Company has been sanctioned credit facilities vide sanction letter from Corporation Bank vide:

- (1) Letter No. CDS/CSI/KGB/MC/079/2006-07 dated July 29, 2006 for Term Loan of Rs.850 Lacs and working capital facilities of Rs.1350 Lacs;
- (2) Letter No.OR/IFB/620/2006-07 dated November 22, 2006 for Term Loan of Rs.1150 Lacs.

For further details refer to section titled "Financial Statements" beginning on page 118 of the Prospectus.

For further details regarding the terms and conditions on which the Term Loan has been sanctioned, refer to chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

Personal Guarantees:

Joint and several personal guarantees of all the following persons namely Mr. Sandeep P. Engineer, Mrs. Jagruti S. Engineer and Mr. Nimish G. Dalal Promoter Directors and Mrs. Tarika G. Dalal one of our Promoters, have been given in respect of all the current credit facilities availed by our Company.

Restrictive Covenants:

As per the sanction letter from Corporation Bank bearing number CDS/CSI/KGB/MC/079/2006-07 dated July 29, 2006, we require prior written consent from the lenders, for certain activities, amongst others, including as mentioned below, to:

- i. effect changes in our Company's capital structure;
- ii. formulate any scheme of amalgamation/re-constitution;
- iii. enter into borrowing arrangements, either secured or unsecured, with any other bank, financial institution, company or person;
- iv. undertake guarantee obligations on behalf of any other company, firm or person;
- v. create any further charge, lien or encumbrance over the assets and properties of the Company, which are to be charged to Corporation bank, in favour of any Bank, financial institution, company, firm or person;
- vi. sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank;
- vii. effect any material change in the composition of Board of Directors, management structure or equity pattern of the Company shall be informed to the Bank;

Pursuant to the aforesaid we have received consent from Corporation Bank for the Issue vide their letter No. OR/IFB/516/2006-07 dated October 14, 2006.

ASTRAL POLY TECHNIK LIMITED

SECTION V : FINANCIAL STATEMENTS

AUDITOR'S REPORT

To

The Board of Directors,
Astral Polytechnik Limited
901, "Parshwa Tower",
Sarkhej-Gandhinagar Highway,
Ahmedabad - 380 054.

Dear Sirs,

We have examined the books of accounts of M/s. ASTRAL POLYTECHNIK LIMITED, for the years ended 31st March, 2002, 2003, 2004, 2005, 2006 and for the nine months ended on 31st December 2006, being the last date up to which the accounts have been made up and audited by us.

We state that the above financial statements have been drawn up by the Company in compliance with Securities Exchange Board of India, DIP guidelines, 2000 as amended and in accordance with the requirements of Clause 24 of Part II of schedule II of Companies Act, 1956 as amended from time to time. We report that the profits/(losses), assets and liabilities and dividends of the Company subject to our reports thereon are as set out below.

For, N. Gamadia & co.
Chartered Accountants

Sd/-

Nilesh Gupta
PARTNER

Place: Ahmedabad

Date : 26th January, 2007

M. NO.100426

AUDITOR'S REPORT

To,

THE BOARD OF DIRECTORS
ASTRAL POLY TECHNIK LIMITED
 901, "Parshwa Tower",
 Sarkhej-Gandhinagar Highway,
 Ahmedabad - 380 054.

Dear Sirs,

- A. a) We have examined the annexed financial information of M/s. ASTRAL POLY TECHNIK LIMITED ('the Company') for the Five Financial years ended 31st March 2002, 31st March 2003, 31st March 2004, 31st March 2005, 31st March 2006 and Nine Months ended on 31st December, 2006 being the last date to which the accounts of the Company have been made up and audited by us.

The preparation and presentation of this financial information is the responsibility of the Company's management. This financial information is proposed to be included in the offer document of the company in connection with the proposed initial public issue of its equity shares.

- b) We have performed such tests and procedures, which, in our opinion, were necessary for the examination. These procedures, which include comparison of the attached financial information with the companies audited financial statements.

Our audit of the financial statements for the period referred to in paragraph A (a) of this report comprises audit tests and procedures deemed necessary for the purpose of expressing an opinion on such financial statements taken as a whole.

- c) In accordance with the requirements of:
- 1) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act'),
 - 2) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("the SEBI Guidelines") issued by the Securities and Exchange Board of India in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments and
 - 3) Our terms of reference given vide your letter dated 15.09.2006 requesting us to carry out work in connection with offer document as aforesaid.

We report that:

- a) The restated assets and liabilities of the Company as at March 31, 2002, 2003, 2004, 2005, 2006 and 31st December, 2006 are as set out in Annexure II to this report after making such adjustments/ restatements and regroupings as in our opinion are appropriate and are more fully described in the Significant Accounting Policies and Notes to Accounts as appearing in Annexure III to this report.
- b) The restated profits/(losses) of the Company for the financial years ended March 31, 2002, 2003, 2004, 2005, 2006 and nine months ended on 31st December, 2006 are as set out in Annexure I to this report. These profits/(losses) have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and more fully described in the Significant Accounting Policies and Notes to Accounts as appearing in Annexure III to this report.

- B. We have examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by the Board of Directors and annexed to this report:

Annexure IV	Cash Flow Statement
Annexure V	Statement of Sundry Debtors
Annexure VI	Statement of Loans & Advances

ASTRAL POLY TECHNIK LIMITED

Annexure VII	Statement of Secured Loans
Annexure VIII	Statement of Unsecured Loans
Annexure IX	Statement of Contingent Liability
Annexure X	Statement of Other Income
Annexure XI	Statement of Accounting Ratios
Annexure XII	Statement of Rate of Dividend
Annexure XIII	Capitalization Statement
Annexure XIV	Statement of Tax Shelter
Annexure XV	Statement of Related Party Disclosure
Annexure XVI	Statement Showing Investments

- C. a) In our opinion the financial information of the Company read with Significant Accounting Policies and Notes on Accounts attached in Annexure III to this report, after making adjustments/restatements and regroupings as considered appropriate has been prepared in accordance with Part II of Schedule II of the Act and SEBI Guidelines.
- b) This report is intended solely for your information and for the inclusion in the Offer Document in connection with specific public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For, N. Gamadia & co.
Chartered Accountants
Sd/-
Nilesh Gupta
PARTNER
M. NO.100426

Place: Ahmedabad
Date : 26th January, 2007

ANNEXURE I

STATEMENT OF PROFITS AND LOSSES, AS RESTATED

The profit and loss statement of the company for five financial years ended 31/03/2002 to 31/03/2006 and for the nine months ended on 31/12/2006 read with significant policies, after making certain regroupings for comparability and making adjustments as stated in the notes to accounts are set out below :

							(Rs. In Lacs)
Particulars		As At 31st March					Nine Months Ended
		2002	2003	2004	2005	2006	31.12.2006
A	INCOME						
	Sales						
	Of Products Manufactured By The Company	456.89	1,063.28	1,871.65	2,887.77	4,280.69	5,407.69
	Of Products Traded By The Company	344.53	247.48	328.38	658.30	884.69	1,005.13
	Other Income	13.39	3.33	4.85	9.14	14.40	32.51
	Increase (Decrease) In Inventory	(2.52)	5.52	55.36	163.27	192.89	295.04
	Total Income	812.29	1,319.61	2,260.24	3,718.48	5,372.67	6,740.37
B	EXPENDITURE						
	Raw Materials & Goods Consumed	274.30	502.81	886.84	1,585.51	2,674.00	3,756.43
	Cost of Goods Traded	380.93	182.92	299.54	551.21	638.46	812.05
	Staff Costs	42.03	48.65	93.08	147.44	219.69	204.99
	Other Manufacturing Expenses	28.11	51.34	97.08	139.44	245.63	318.47
	Administrative Expenses	64.69	70.21	79.58	153.32	236.01	139.10
	Selling & Distribution Expenses	37.50	163.68	277.84	624.47	601.04	520.67
	Total Expenditure	827.56	1,019.61	1,733.96	3,201.39	4,614.83	5,751.71
C	Profit Before Interest, Depreciation Income Tax, Amortisation & Extraordinary Items.	(15.27)	300.00	526.28	517.09	757.84	988.66
	Interest	85.12	72.80	99.31	117.53	125.74	140.56
	Depreciation	18.46	34.78	57.91	86.00	146.99	164.91
	Miscellaneous Expenditure Written Off	9.04	9.04	9.04	4.59	0.12	0.09
D	Net Profit Before Tax And Extraordinary Items	(127.89)	183.38	360.02	308.97	484.99	683.10
	Provision For Taxation						
	Current Tax	1.10	14.00	44.00	80.00	41.64	78.00
	Deferred Tax	-	56.13	43.53	7.90	43.86	10.45
	Fringe Benefit Tax	-	-	-	-	12.50	7.59
E	Net Profit After Tax & Before Extraordinary Items	(128.99)	113.25	272.49	221.07	386.99	587.06
	Extraordinary Items (Net Of Tax)	-	-	-	-	-	-
	Net Profit After Extraordinary Items	(128.99)	113.25	272.49	221.07	386.99	587.06
	Earlier Year Adjustments	(4.97)	0.59	(0.08)	8.23	0.04	-
	Appropriations :						
	Transfer To General Reserve	-	-	-	-	-	-
	Dividend Paid On Preference Shares	-	-	-	5.38	5.38	-
	Tax On Dividend	-	-	-	0.70	0.75	-
F	Balance Carried To Balance Sheet	(133.96)	113.84	272.41	223.22	380.90	587.06

The accompanying Significant Accounting Policies and Notes on Accounts (Annexure III) are an integral part of these statements.

ASTRAL POLY TECHNIK LIMITED

ANNEXURE II

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

The assets and liabilities of the company as at 31/03/2002 to 31/03/2006 and for the nine months ended on 31/12/2006 read together with significant accounting policies after making adjustments as stated in the notes to accounts are set out below

Particulars						(Rs. In Lacs)
	As At 31st March					Nine Months Ended
	2002	2003	2004	2005	2006	31.12.2006
Assets						
Fixed Assets						
Gross Block	442.43	551.09	902.36	1,275.39	2,736.63	3,314.90
Less : Depreciation	39.69	74.47	132.38	213.64	362.72	527.59
Net Block	402.74	476.62	769.98	1,061.75	2,373.91	2,787.31
Capital Work In Progress	-	53.55	34.13	262.05	7.55	327.42
Less: Revaluation Reserve	-	-	-	121.14	121.14	121.14
Net Block (after adjustment for Revaluation Reserve) - A	402.74	530.17	804.11	1,202.66	2,260.32	2,993.59
Investments - (B)	5.01	-	-	-	-	0.07
Current Assets, Loans and Advances						
i) Current Assets						
Inventories						
Raw Material	56.52	75.12	107.24	188.23	316.79	539.76
Finished Goods	114.66	185.91	241.19	502.05	742.25	1,163.47
Receivables	265.80	417.20	653.12	604.05	950.64	1,417.31
Cash and Bank Balances	15.24	66.67	15.25	11.54	124.69	176.78
ii) Loans And Advances	55.34	67.94	73.10	200.10	198.78	330.90
Total - (C)	507.56	812.84	1,089.90	1,505.97	2,333.15	3,628.22
Total Assets (D) = (A)+(B)+(C)	915.31	1,343.01	1,894.01	2,708.63	4,593.47	6,621.88
Liabilities & Provisions						
Loan Funds :						
Secured Loans	452.81	426.41	705.71	1,098.01	1,620.40	2,260.87
Unsecured Loans	161.55	100.10	71.70	43.61	9.23	9.23
Deferred Tax Liability	-	46.75	90.27	98.17	142.03	152.48
Current Liabilities And Provisions						
Sundry Creditors	245.55	430.07	363.52	503.00	780.55	1,193.59
Provisions	40.83	101.07	129.27	194.49	359.17	453.29
Total Liabilities (E)	900.74	1,104.40	1,360.47	1,937.28	2,911.38	4,069.46
Net worth (D) - (E)	14.57	238.61	533.54	771.35	1,682.09	2,552.42
Represented by :						
Shareholders Funds						
i) Share Capital	214.12	305.89	319.37	319.37	719.26	786.71
ii) Share Application Money	-	-	-	-	188.46	-
iii) Reserves And Surplus	(176.42)	(53.20)	219.21	573.57	895.84	1,887.09
Less : Revaluation Reserves	-	-	-	121.14	121.14	121.14
iv) Reserves (Net of Revaluation Reserves)	(176.42)	(53.20)	219.21	452.43	774.70	1,765.95
v) Miscellaneous Expenditure (To the extent not written off)	23.13	14.08	5.04	0.45	0.33	0.24
Net Worth ((i) + (iv)) - (v)	14.57	238.61	533.54	771.35	1,682.09	2,552.42

The accompanying Significant Accounting Policies and Notes on Accounts (Annexure III) are an intergal part of these statements.

ANNEXURE - III

Significant Accounting Policies And Notes to Accounts

A. SIGNIFICANT ACCOUNTING POLICIES: -

1. Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention (except for fixed assets which are revalued) in accordance with the Generally Accepted Accounting Principles (GAAP) and comply with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India and the Companies Act, 1956 except otherwise stated. All income and expenditures are recognized on accrual basis except otherwise stated.

2. Use of Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP), requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. Fixed Assets

- (a) Fixed Assets are stated at historical costs (net of cenvat credits) less accumulated depreciation. All costs relating to acquisition and installation of fixed assets till the assets get ready for their intended use are capitalized.

Capital work-in-progress represents assets under erection /construction.

Deduction/adjustments represents assets discarded/sold/ transferred.

- (b) Depreciation:

Depreciation is provided on straight-line method on pro-rata basis at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Individual assets costing less than Rs.5000/- are depreciated in full in the year of acquisition.

4. Investments are stated at cost.

5. The Company has decided for Initial Public Offer (IPO) to part finance its forth-coming expansion project of Rs 6804.35 Lacs. Accordingly entire expenses in this regard are being debited to the Pre-operative expenses and shown under the head Capital work-in-progress. These will be apportioned and Capitalized among the respective assets.

6. Valuation Of Inventories

Inventories are valued at:

➤ Raw - Materials	-	At Cost or Net Realizable Value Whichever is less
➤ Reusable Scrap	-	At Cost or Net Realizable Value Whichever is less
➤ Finished Goods	-	At Cost or Net Realizable Value Whichever is less

7. Excise Duty

The company has provided liability for excise duty on Finished Goods in closing stock as applicable. And the same has been included in the value of closing stock.

ASTRAL POLY TECHNIK LIMITED

8. Cenvat

The value of eligible CENVAT benefits of Excise & Service Tax is being reduced from the value of raw materials/ Services and Capital goods purchased. Consumption of raw materials is arrived at accordingly. Outstanding CENVAT claims are shown as Cenvat receivable, under the head Current Assets.

9. Foreign Currency Transactions

Transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. The exchange difference arising out of their settlements are dealt with in the Profit and Loss Account where it relates to transactions other than acquisition of Fixed Assets and in case transactions relating to the acquisition of Fixed Assets with the cost of the respective Fixed Assets.

10. Sales / Turnover

Sales / Turnover includes sales value of goods but excludes other recoveries such as excise and sales tax.

11. Inter-unit transactions:

- a. During the year 2005, the Company has operationalised its manufacturing facility at Barotiwala - Himachal Pradesh enjoying Income-tax, Sales- tax and Excise duty exemption/ concessions.
- b. The Company has identified the said unit as an independent entity, as far as practicable to arrive at the segment results and also to comply with the legal requirements.
- c. Inter-unit transfer of assets have taken place at written down value as appearing in the books of accounts at the terms mutually agreed.
- d. Common expenditures have been allocated on the proportion of net sales effected from the respective units.
- e. Himachal Pradesh unit is mainly engaged in manufacturing of goods and all other activities related to marketing, sourcing of Raw materials, finance management are handled by the head office at Ahmedabad.

12. Retirement Benefits

Company's contribution to Provident Fund is charged to Profit & Loss Account. Contribution to gratuity fund and provision for leave encashment are made on the basis of actuarial valuation and charged to profit & loss account. The Company has made arrangements with the LIC of India for their entire liability towards employees Retirement Benefits.

13. DEPB License

DEPB License purchased by the company is valued at cost. Utilization of DEPB License is charged to Profit & Loss A/c and balance at the period-end is shown under Loans & Advances. Discounts in DEPB license is recognized as income.

14. Amortization Of Miscellaneous Expenditure

Preliminaries Expenses are being written off equally over a period of Ten Years.

15. Provision for taxation is made in accordance with the tax provision of the Indian Income Tax Act 1961 applicable to the relevant assessment year after considering various admissible reliefs.

Deferred tax liabilities/Assets is recognized subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

16. Accounting Policies not specifically referred above are consistent with Generally Accepted Accounting Policies.

B ACCOUNTING NOTES

1. Period of Financial Statements:

Financial Statements are prepared for the period of Nine-months ended on 31st December, 2006.

Hence the financials of the period are not comparable with that of the previous year ended on 31st March 2006.

2. Transaction with group companies

During the period, company has sourced some of Raw materials from the group companies at a price mutually agreed upon.

3. Contingent Liabilities

There is no contingent liability not provided for in the accounts except otherwise stated under note number 23 and 25 hereinbelow.

4. In the absence of requisite information, particulars of amount due to SSI are not furnished.

5. Previous years figures have been regrouped, rearranged and reclassified wherever necessary. In the case of accounting standards becoming applicable first time during the period, being transitory period, previous year figures are not given.

6. Balances of Sundry debtors, loans and advances and sundry creditors are subject to their confirmation.

7. Separate trading and advance / loan accounts are maintained for sister/associates companies and their balances are shown accordingly in Sundry Debtors and Sundry Creditors accounts.

8. During the period Rs. 78,00,000/- has been provided for the Income-tax and Rs. 7,58,737/- provided towards the FBT liability.

9. During the period the company has recognized deferred tax liabilities of Rs. 7,93,555/- and debited to Profit & Loss Account. The same represents the difference on account of depreciation charged.

10. Auditors' remuneration

	31.12.2006	2005-06
➤ For Statutory Audit	70625	25000
➤ For Tax Audit	25000	15000
➤ For IPO Certification	220000	---
➤ Service Tax	38003	4080
TOTAL	353628	44080

11. Director's remuneration is revised by the Board of Director's in their meeting held on 12.01.2007 having retrospective effect. Accordingly Director's remuneration of Rs. 28.50 Lacs is provided during the period.

12. Director's travelling includes foreign travelling of Rs. 17.14 Lacs.

13. Company has been granted in the year 2005-06 cash subsidy of Rs. 30 Lacs from the Himachal Pradesh government towards the eligible investment made by the company in the state. The same has been credited as subsidy reserves and shown under the head Reserves & surplus. First charge on plant & machineries and equipments to the tune of Rs. 277.33 Lacs, of the said unit, is created in favour of the state government for a period of five years.

14. Impairment of assets

During the period, Company has applied the impairment tests to arrive at any possible impairment. Accordingly in the opinion of the management there is no impairment which is required to be recognized in the books.

15. Earning and Expenses in Foreign Exchange and CIF value of Imports enclosed in Annexure A.

16. Information pursuant to provision of paragraphs 3 & 4 of part II, schedule VI of the Companies Act, 1956 is enclosed in Annexure - B.

ASTRAL POLY TECHNIK LIMITED

17. Segment Reporting:

Following the Accounting Standard-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India and considering the risks and rewards attached thereto, the Company has identified the following reportable segments:

Primary- Geographical segment		Secondary- Business segment	
Unit at Gujarat	Unit at Himachal Pradesh	Manufacturing	Trading

Accordingly the segment results are given in Annexure-C.

18. Cash Flow Statement is given in Annexure - D.

19. Related Party disclosures are given in Annexure-E.

20. Earnings Per Share is given in Annexure-F.

21. Fixed deposits of Rs. 0.30 Lacs shown as deposits under Loans & Advances is under lien with the Sales-tax department, Himachal Pradesh.

22. Fixed Deposits are placed with Corporation Bank towards margin for Letter Of Credit/Bank Guarantee obtained for the business.

23. Bank guarantees of Rs. 3.19 Lacs, Letter of Credit Rs. 26.21 Lacs were outstanding as on 31.12.2006 and Export Obligations under EPCG Scheme is pending for Rs. 311.32 Lacs, corresponding duty amount thereon is Rs. 38.91 Lacs.

24. Buildings include purchase of office premises in a Co. Op. Society for Rs. 126.84 Lacs during the year 2005-06. The transaction included the transfer of shares held in Kant Apartment Co. Op. Housing Society Limited which is pending. Building includes Rs. 750/- for 15 no of share held in the Kant Apartment Co. Op. Housing Society Limited of Rs. 50/- Each.

25. Amount of contracts pending on capital account Rs. 222.22 Lacs (P.Y. Rs. 10.00 Lacs).

26. Share Capital includes 9,83,554 Shares (P.Y. 32,32,800) allotted during the period by way of bonus shares to the existing share holders in the ratio of 6:1. Accordingly an amount of Rs. 98,35,540/- (P.Y.Rs. 3,23,28,000/-) is capitalized from the balance of profit and loss account. Share Capital includes 6,16,422 (P.Y.3,91,085) shares allotted during the period at a premium of Rs. 60/- each and 4,01,530 Equity Shares issued to employees at Rs. 10/- Each.

During the period 15,48,115 Preference Shares are converted into 2,21,159 Equity shares at a premium of Rs. 60/-.

27. The exchange rate difference amounting to Rs. 2.26 Lacs (net) in connection with acquiring of fixed assets has been adjusted in carrying amount of relevant fixed assets.

28. Remittance of dividend on redeemable preference shares in foreign currency:

	31.12.2006	2005-06
No. of Non-Resident Shareholders	NIL	1
No. of Shares held	NIL	1548115
Dividend (Rs. In lacs)	NIL	6.13

**For, N. Gamadia & Co.
Chartered Accountants**

Sd/-

**Nilesh Gupta
PARTNER
M. NO.100426**

Place: Ahmedabad

Date : 26th January, 2007

ANNEXURE - A
As on 31.12.06
FOREIGN EXCHANGE EARNING AND OUTGO :
(Rs. in Lacs)

PARTICULARS	AMOUNT
EARNING :	
EXPORT SALES	62.37
OUT GO :	
Capital Goods	140.11
Raw Materials Payment	610.71
Finished Goods Payment	570.13
Travelling Expense - Foreign	21.62
Others	-
TOTAL	1,342.57
C.I.F. VALUE OF IMPORTS :	
Raw -Materials & Finished Goods Purchased	2,379.77
Capital Goods (including Work in Progress)	137.74
TOTAL	2,517.51

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - B

[A] Opening and Closing Stock of goods manufactured :-

Product	Unit	CLOSING STOCK			
		As On 31-12-2006		As On 31-03-2006	
		Qty.	Amt. (In Lacs)	Qty.	Amt. (In Lacs)
Flowguard Pipes	Mtrs.	379,012	212.67	76,890	55.97
Corzan Pipes	Mtrs.	15,134	28.92	7,469	14.60
PVC Pipes	Mtrs.	119,087	71.75	32,630	30.03
Flowguard Fittings	Pcs.	2,763,453	238.36	1,578,069	207.93
PVC Fittings	Pcs.	1,624,643	119.46	1,381,466	99.92
Corzan Fittings	Pcs.	19,542	14.32	-	-
Flowguard Accessories	Pcs.	230,010	4.29	-	-

Product	Unit	OPENING STOCK			
		As On 01-04-2006		As On 01-04-2005	
		Qty.	Amt. (In Lacs)	Qty.	Amt. (In Lacs)
Flowguard Pipes	Mtrs.	76,890	55.97	141,796	65.04
Corzan Pipes	Mtrs.	7,469	14.60	14,086	15.83
PVC Pipes	Mtrs.	32,630	30.03	51,056	22.36
Flowguard Fittings	Pcs.	1,578,069	207.93	722,278	53.32
PVC Fittings	Pcs.	1,381,466	99.92	196,796	53.58

[B] Closing Stock of goods traded :-

Product	Unit	CLOSING STOCK			
		As On 31-12-2006		As On 31-03-2006	
		Qty.	Amt. (In Lacs)	Qty.	Amt. (In Lacs)
Flowguard Fittings	Pcs.	347,961	44.75	569,723	44.29
Corzan Fittings	Pcs.	22,284	111.52	20,750	75.57
PVC Fittings	Pcs.	378,636	98.78	465,078	109.11
Upvc Fittings	Pcs.	9,642	47.57	-	-
Flowguard Adhesive Solution	Tins	48,397	39.96	36,849	34.88
Corzan Adhesive Solution	Tins	5,315	10.04	3,624	8.76
PVC Adhesive Solution	Tins	59,051	53.64	18,603	23.08

Opening Stock of goods traded :-

Product	Unit	OPENING STOCK			
		As On 01-04-2006		As On 01-04-2005	
		Qty.	Amt. (In Lacs)	Qty.	Amt. (In Lacs)
Flowguard Fittings	Pcs.	569,723	44.29	490,409	48.97
Corzan Fittings	Pcs.	20,750	75.57	18,416	82.37
PVC Fittings	Pcs.	465,078	109.11	225,182	53.58
Flowguard Adhesive Solution	Tins	36,849	34.88	26,719	26.51
Corzan Adhesive Solution	Tins	3,624	8.76	892	3.05
PVC Adhesive Solution	Tins	18,603	23.08	40,271	30.84

[C] Consumption of Raw Materials :-

Product	Unit	01-04-2006 TO 31-12-2006		2005-2006	
		Qty.	Amt. (In Lacs)	Qty.	Amt. (In Lacs)
Resin for Flowguard Pipes	Kgs.	1,300,337	1,422.91	936,783	1,054.64
Resin for Corzan Pipes	Kgs.	96,386	111.75	28,893	25.13
Resin for Flowguard Fittings	Kgs.	269,438	365.88	270,817	355.03
Raw Material for PVC	Kgs.	1,583,637	717.78	1,180,116	809.65
Others		4,671	2.62	-	-

[D] Production and Sales of goods manufacture during the year :-

INSTALLED CAPACITY		01.04.2006 TO 31.12.2006		2005-2006	
		MT 6009		MT 4000	
Product	Unit	01.04.2006 TO 31.12.2006		2005-2006	
		Prodn. in Qty	Sales in Qty.	Prodn. in Qty	Sales in Qty.
Flowguard Pipes	Mtrs.	4,899,671	4,597,549	3,831,802	3,896,708
Corzan Pipes	Mtrs.	46,063	38,398	20,088	26,705
PVC Pipes	Mtrs.	2,819,610	2,733,153	1,966,616	1,985,042
Flowguard Fittings	Pcs.	10,489,541	9,304,157	15,743,012	14,887,221
PVC Fittings	Pcs.	5,271,926	5,028,749	8,427,586	7,242,916

[E] Purchase and Sales of goods traded during the year :-

Product	Unit	01.04.2006 TO 31.12.2006		2005-2006	
		Purchase in Qty	Sales in Qty.	Purchase in Qty	Sales in Qty.
Flowguard Fittings	Pcs.	366,352	588,114	802,680	723,366
Corzan Fittings	Pcs.	29,204	27,670	40,926	38,592
PVC Fittings	Pcs.	886,805	973,247	1,129,525	889,629
Flowguard Adhesive Solution	Tins	251,200	239,652	183,830	173,700
Corzan Adhesive Solution	Tins	6,392	4,701	4,154	1,422
PVC Adhesive Solution	Tins	213,855	173,407	33,778	55,446

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - C

PRIMARY SEGMENT INFORMATION (GEOGRAPHICAL) :

(AMOUNT IN LACS)

PARTICULARS	AS AT 31ST DECEMBER 2006			AS AT 31ST MARCH 2006		
	UNIT AT GUJARAT	UNIT AT HIMACHAL PRADESH	TOTAL	UNIT AT GUJARAT	UNIT AT HIMACHAL PRADESH	TOTAL
SEGMENT REVENUE						
Sales	2,916.03	3,565.73	6,481.76	3,723.15	1,556.28	5,279.44
	2,916.03	3,565.73	6,481.76	3,723.15	1,556.28	5,279.44
Less :						
Inter Segment Revnue	14.14	-	14.14	114.06	-	114.06
TOTAL REVENUE	2,901.89	3,565.73	6,467.63	3,609.10	1,556.28	5,165.38
SEGMENT RESULTS						
Profit Before Tax & Interest	69.68	732.96	802.65	131.97	467.48	599.45
Other Income	31.54	0.91	32.44	20.97	0.08	21.06
Interest Expenses	5.20	7.90	13.10	10.07	3.74	13.81
Unallocable Expenses			127.46			111.93
Provision for Tax			93.52			93.04
(Including Deferred Tax and Fringe Benefit Tax)						
Net Profit			601.01			401.72
OTHER INFORMATION						
Segment Assets	4,766.10	2,484.87	7,250.98	3,782.41	1,700.22	5,482.64
Segment Liabilities	808.56	833.22	1,641.78	559.94	465.59	1,025.52
Depreciation	64.70	92.73	157.43	77.34	59.86	137.20
Capital Expenditure Including CWIP	326.29	-	326.29	-	7.55	7.55

ANNEXURE - C
SECONDARY SEGMENT INFORMATION (BUSINESS) :
(AMOUNT IN LACS)

PARTICULARS	AS AT 31ST DECEMBER 2006			AS AT 31ST MARCH 2006		
	UNIT AT GUJARAT	UNIT AT HIMACHAL PRADESH	TOTAL	UNIT AT GUJARAT	UNIT AT HIMACHAL PRADESH	TOTAL
SEGMENT REVENUE						
External Sales	5,913.53	1,051.32	6,964.85	4,998.83	936.65	5,935.47
Unallocable Duties, Tax & Recoveries			(497.23)			(770.10)
TOTAL REVENUE	5,913.53	1,051.32	6,467.63	4,998.83	936.65	5,165.38
SEGMENT RESULTS						
Profit Before Tax & Interest	2,133.67	239.27	835.09	2,079.10	298.19	620.51
Interest Expenses			140.56			125.74
Provision for Tax			93.52			93.04
(Including Deferred Tax and Fringe Benefit Tax)						
Net Profit			601.01			401.72
OTHER INFORMATION						
Segment Assets	-	422.60	422.60	2,734.17	297.80	3,031.97
Un-allocable Assets			5,919.29			1,601.56
TOTAL ASSETS			6,341.89			4,633.53
Segment Liabilities	911.88	131.01	1,042.89	375.83	90.79	466.62
Un-allocable Liabilities			598.89			523.10
TOTAL LIABILITIES			1,641.78			989.72
Depreciation	53.33		53.33	133.06		133.06
Un-allocable Depreciation			104.10			4.14
TOTAL DEPRECIATION			157.43			137.20
Capital Expenditure Including CWIP			326.29			7.55

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - D

CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED ON 31ST DECEMBER, 2006.

(AMOUNT IN LACS)

SR. NO.	PARTICULARS	Nine Months ended On 31.12.2006		For Year ended On 31.03.2006	
A	Cash flow from Operating Activities				
	Net Profit after tax and Extraordinary items	601.01	601.01	401.77	401.77
	Adjustments for				
	ADD :				
	Depreciation	157.43		137.20	
	Interest	140.56		125.74	
	Taxation	78.00		54.14	
	DTL	7.94		38.91	
	Preliminary Exps W/o	0.09		0.12	
	Loss of Sale of Fixed Assets	-		2.00	
	Prior Period Items	-	384.01	0.03	358.14
	LESS :				
	Interest Received	6.62		8.35	
	Excess Provisions Written Back	-		0.08	
	Dividend Income	-	6.62	-	8.43
	Operating profit before Working Capital Changes		978.40		751.48
	Adjustments for				
	Increase/(Decrease) in Inventory	(644.19)		(368.76)	
	Increase/(Decrease) in Trade Payables	467.28		439.99	
	ADD :				
	Increase/(Decrease) in Loans & Advances	(132.35)		1.40	
	Increase in trade & Other Receivables	(466.68)	(775.93)	(346.59)	(273.96)
	Cash generated from Operations		202.47		477.52
	Interest	(140.56)		(125.74)	
	Taxation	(43.00)	(183.56)	(51.93)	(177.67)
	Net Cash from Operating Activities		18.91		299.85
B	Cash flow from Investing Activities				
	Purchase of Fixed Assets	(578.26)		(1,468.40)	
	Capital work-in-progress	(318.76)		259.25	
	Increase/(Decrease) in Capital	(30.90)		76.60	
	Increase/(Decrease) in Share Application Money	(188.47)		188.47	
	Increase/(Decrease) in Share Premium	502.55		234.65	
	Increase in investment	(0.07)		-	
	Interest received	6.62		8.35	
	Dividend	-		-	
	Sale of Assets	-	(607.29)	2.50	(698.58)
	Net Cash used in Investing Activities		(607.29)		(698.58)
C	Cash flow from Financing Activities				
	Subsidy	-		30.00	
	Dividend Paid	-		(5.38)	
	Dividend Tax paid	-		(0.75)	
	Proceeds from Long Term Borrowings	640.48		522.39	
	Repayment of Long Term Borrowings	-		(34.37)	
	Net Cash flow from Financing Activities		640.48		511.88
	NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)		52.11		113.15
	Cash and Cash Equivalent As At 31.03.2006 (Op. Bal.)		124.68		11.54
	Cash and Cash Equivalent As At 31.12.2006 (Cl. Bal.)		176.78		124.69

ANNEXURE - E

RELATED PARTY DISCLOSURES :

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(b) Key Management Personnel

Mr. Sandeep P. Engineer

Mrs. Jagruti S. Engineer

(c) Relatives of Key Management Personnel

Sandeep P. Engineer HUF

Mr. Bipin R. Mehta

Mrs. Rekha B. Mehta

Mrs. Hansa P. Engineer

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Purchase	63.90	-	-
Less : Purc. Return /R.D.	-	-	-
Purchase	63.90	-	-
Sales			
Machineries & Spares	1.00	-	-
Expenses			
Remuneration	-	23.40	9.00
Rent	-	-	4.05
Advances	116.94	-	-
Other Receipt			
Interest	5.99	-	-
Rent	2.25	-	-

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - F

EARNING PER SHARE

PARTICULARS	AS AT 31ST DECEMBER, 2006	AS AT 31ST MARCH, 2006
Profit After Taxation (Available for Equity Share Holders) (Rs. In Lacs)	601.01	395.64
Weighted Average Number of Shares Outstanding		
Total Number of Shares Outstanding at the Beginning of the year	5,644,385	1,645,600
Weighted Average Number of shares issued	1,785,149	126,312
Weighted Average Number of Shares Outstanding during the year	7,429,534	1,771,912
Basic Earnings Per Share in Rupees	8.09	22.33
(Face Value of Rs. 10/- per share)		
Basic Earnings Per Share in Rupees (Annualised)	10.79	22.33
(Face Value of Rs. 10/- per share)		
Profit After Taxation (Available for Equity Share Holders) (Rs. In Lacs)	601.01	395.64
Weighted Average Number of Shares Outstanding		
Weighted Average Number of Shares Outstanding during the year	7,429,534	2,011,348
Diluted Earnings Per Share in Rupees	8.09	19.67
(Face Value of Rs. 10/- per share)		
Diluted Earnings Per Share in Rupees (Annualised)	10.79	19.67
(Face Value of Rs. 10/- per share)		

ANNEXURE III-a
STATEMENT OF MANAGERIAL REMUNERATION PAID TO DIRECTORS
(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Remuneration	6.00	6.00	14.40	14.40	31.20	28.50
Total	6.00	6.00	14.40	14.40	31.20	28.50

ANNEXURE - III-b
STATEMENT OF DEFERRED TAX LIABILITY
(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
I) Deferred Tax Liabilities	-	56.13	90.27	98.17	142.03	152.48
II) Deferred Tax Assets	-	9.38	-	-	-	-
Net Deferred Tax Liability	-	46.75	90.27	98.17	142.03	131.35

Note : In terms of AS-22 (Accounting for Taxes on Income), the company has recognised deferred tax liabilities/ assets during the year ended 31/03/2003, 31/03/2004, 31/03/2005, 31/03/2006 & 31/12/2006.

ANNEXURE - III-c
STATEMENT OF PAYMENT TO AUDITORS
(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Audit Fees	0.15	0.15	0.25	0.25	0.25	0.71
Tax Audit Fees	0.10	0.10	0.15	0.15	0.15	0.25
Service Tax	0.01	0.02	0.03	0.04	0.04	0.38
Taxation Matters	-	-	-	-	-	-
IPO Certification	-	-	-	-	-	2.20
Other Services	-	-	-	-	-	-
Total	0.26	0.27	0.43	0.44	0.44	3.54

ANNEXURE - III - d
STATEMENT OF ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3 & 4 OF PART II OF SCHEDULE IV OF THE COMPANIES ACT, 1956.
(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
(A) Expenditures In Foreign Currencies						
On Capital goods	50.29	4.75	44.96	132.74	6.79	140.11
On Raw Material & finished goods Purchased	285.59	405.18	799.67	1,150.40	1,532.66	1,180.84
On Travelling Expenses-Foreign	2.54	0.74	3.10	13.08	20.37	21.62
On Dividend	-	-	-	5.38	5.38	-
On External Commercial Borrowing	-	49.14	-	-	-	-
On Others	-	0.07	-	-	-	-
(B) Earnings In Foreign Currencies						
Sales	37.87	-	5.22	43.20	87.08	62.37
Equity Share Allotment	20.22	-	-	-	-	-
Equity Share Application Money	-	-	-	-	88.46	91.39
Preference Share Allotment	28.32	91.77	-	-	-	-

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - IV

STATEMENT OF CASH FLOW, AS RESTATED

(Rs. In Lacs)

Sr. No.	Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
		2002	2003	2004	2005	2006	
A	Cash flow from Operating Activities						
	Net Profit after tax and Extraordinary items	(133.96)	113.84	272.41	223.22	380.90	587.06
	Adjustments for						
	ADD :						
	Depreciation	18.46	34.78	57.91	86.00	146.99	164.90
	Interest	85.12	72.80	99.31	117.53	125.74	140.56
	Taxation	1.10	14.00	44.00	80.00	54.14	85.59
	Deferred Tax Liability	-	56.13	43.53	7.90	43.86	10.45
	Miscellaneous Expenditure Written Off	9.04	9.04	9.04	4.59	0.12	0.09
	Dividend	-	-	-	6.08	6.13	-
	Loss of Sale of Fixed Assets	-	-	-	0.04	2.00	-
	Prior Period Items/Excess						
	Provision Written Back	4.97	(0.59)	0.08	(8.23)	(0.04)	-
	LESS :						
	Interest Received	-	-	-	-	8.35	6.62
	Operating profit before Working Capital Changes	(15.27)	300.00	526.28	517.13	751.49	982.03
	Adjustments for						
	Increase/(Decrease) in Inventory	172.58	(89.84)	(87.41)	(341.88)	(368.76)	(644.19)
	Increase/(Decrease) in Trade Payables	181.68	229.75	(61.04)	177.99	440.06	472.36
	ADD :						
	Increase/(Decrease) in Loans & Advances	5.51	(12.60)	(5.16)	(127.00)	1.32	(132.34)
	Increase in trade & Other Receivables	(151.48)	(151.40)	(235.92)	49.07	(346.59)	(466.67)
	Cash generated from Operations	193.02	275.91	136.75	275.31	477.52	211.19
	Interest	(85.12)	(72.80)	(99.31)	(117.53)	(125.74)	(140.56)
	Taxation	(0.50)	1.60	(21.39)	(45.06)	(51.93)	(50.59)
	Net Cash from Operating Activities	107.40	204.71	16.05	112.72	299.85	20.04

(Rs. In Lacs)

Sr. No.	Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
		2002	2003	2004	2005	2006	
B	Cash flow from Investing Activities						
	Purchase of Fixed Assets	(118.34)	(108.66)	(351.27)	(251.89)	(1,468.40)	(578.27)
	Capital work-in-progress	15.49	(53.55)	19.42	(232.67)	259.25	(319.87)
	Increase in Capital	60.84	91.77	-	13.50	76.60	(30.90)
	Increase in Share Application Money	(139.35)	-	13.48	(13.50)	188.47	(188.47)
	Increase in Share Premium	-	-	-	-	234.65	502.55
	Sale of Investment	-	5.01	-	-	-	(0.07)
	Interest received	-	-	-	-	8.35	6.62
	Sale of Assets	-	-	-	-	2.50	-
	Net Cash used in Investing Activities	(181.36)	(65.43)	(318.37)	(484.56)	(698.58)	(608.40)
C	Cash flow from Financing Activities						
	Subsidy	-	-	-	10.00	30.00	-
	Dividend Paid	-	-	-	(5.38)	(5.38)	-
	Dividend Tax paid	-	-	-	(0.70)	(0.75)	-
	Proceeds from Long Term Borrowings	(25.37)	(26.40)	279.30	392.30	522.39	640.48
	Repayment of Long Term Borrowings	100.42	(61.45)	(28.40)	(28.09)	(34.38)	-
	Net Cash flow from Financing Activities	75.05	(87.85)	250.90	368.13	511.88	640.48
	NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	1.09	51.43	(51.42)	(3.71)	113.15	52.12
	Net Increase/(Decrease) in Cash & Cash Equivalents	1.09	51.43	(51.42)	(3.71)	113.15	52.12
	Cash and Cash Equivalent at Start of the Year	14.15	15.24	66.67	15.25	11.54	124.69
	Cash and Cash Equivalent (Cl. Bal.)	15.24	66.67	15.25	11.54	124.69	176.82

ASTRAL POLY TECHNIK LIMITED

ANNEXURE V

STATEMENT OF SUNDRY DEBTORS

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
SUNDRY DEBTORS (Unsecured, Considered Good)						
Exceeding six months	26.70	-	13.93	26.38	31.67	53.36
Less than six months	239.10	417.20	639.19	577.67	918.97	1,363.95
TOTAL	265.80	417.20	653.12	604.05	950.64	1,417.31

SUNDRY DEBTORS - Dues receivable from related parties

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
(A) Outstanding for a period exceeding six months						
Promoter -	-	-	-	-	-	-
Promoter Group	-	-	-	-	-	-
Group Companies	20.43	-	-	-	-	-
TOTAL	20.43	-	-	-	-	-
(B) Outstanding for a period less than six months						
Promoter	24.33	-	0.16	-	-	-
Promoter Group	-	-	-	-	-	-
Group Companies	89.02	-	-	-	-	-
TOTAL	113.35	-	0.16	-	-	-

ANNEXURE VI

STATEMENT SHOWING DETAILS OF LOANS & ADVANCES

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
LOANS & ADVANCES (Unsecured, Considered Good)						
Deposits	33.49	6.29	7.36	30.17	25.77	38.47
Advance to suppliers	5.81	29.40	25.08	97.20	113.18	141.43
Advance recoverable in cash or kind or for value to be received	12.17	20.01	28.23	50.44	32.28	121.12
Other Current Assets	3.87	12.24	12.43	22.29	27.55	29.88
Total	55.34	67.94	73.10	200.10	198.78	330.90

Note : There is no advances to promoters/promoters group/group companies/directors/relative of directors/ any concern in which directors are interested which were outstanding as at the end.

ASTRAL POLY TECHNIK LIMITED

ANNEXURE VII

STATEMENT OF SECURED LOANS

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Term Loan from Banks & Financial Institutions	202.81	187.94	366.74	621.77	981.87	1,332.11
Working Capital Facilities From Banks	250.00	238.47	338.97	476.24	638.53	928.76
Total	452.81	426.41	705.71	1,098.01	1,620.40	2,260.87

DETAILS OF SECURED LOANS

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
TERM LOAN						
FROM GUJARAT STATE FINANCIAL CORP. TERM LOAN	202.05	183.95	166.50	-	-	-
FROM CORPORATION BANK	-	-	186.41	590.73	941.65	1,295.89
CASH CREDIT						
FROM MADHUPURA MER. CO.OP. BANK LTD.	250.00	-	-	-	-	-
FROM CORPORATION BANK	-	238.47	338.97	476.24	638.53	928.76
HIRE PURCHASE						
FROM CENTURION BANK						
(Secured against Vehicle)	0.09	-	-	-	-	-
FROM HDFC BANK LTD.						
(Secured against Computer)	0.67	0.33	-	-	-	-
(Secured against Motor Car Indica)	-	-	3.10	2.10	1.05	0.20
(Secured against Motor Car Indica Marina Car)	-	-	-	7.78	6.22	4.99
FROM ICICI BANK						
(Secured against Corsa Car)	-	3.66	1.85	-	-	-
(Secured against Santro Car)	-	-	2.86	1.77	0.61	-
(Secured against Mahindra Max)	-	-	-	3.20	2.19	1.37
(Secured against Honda Accord Car)	-	-	-	-	13.19	11.44
(Secured against Tempo Traveller)	-	-	-	-	-	6.05
FROM GE COUNTRYWIDE						
(Secured Against Office Equipment)	-	-	0.15	-	-	-
FROM KOTAK MAHINDRA						
(Secured against Honda City Car)	-	-	5.87	3.92	1.84	0.19
(Secured against City Ride)	-	-	-	-	5.51	4.51
FROM CITIBANK						
(Secured against Terracan Car)	-	-	-	12.27	9.61	7.47
Total	452.81	426.41	705.71	1,098.01	1,620.40	2,260.87

DETAILS OF SECURED LOANS

AMOUNT IN LACS

SR. NO.	PARTICULARS OF LOAN	BANK	NATURE OF LOAN	SANCTIONED AMOUNT	AMOUNT OUTSTANDING AS ON 15.01.07	RATE OF INTEREST P.A.(%)	REPAYMENT OF TERMS	SECURITIES OFFERED
1	TERM LOAN FROM BANK	CORPORATION BANK	TL-I (Foreign Currency)	207	88.60	LIBOR +3%	20 Quartely Installment. Interest shall be paid seperately as and when due.	Exclusive first charge on movable fixed assets
		CORPORATION BANK	TL-II (Foreign Currency)	140	16.59	LIBOR +3%	12 Quartely Installment. Interest shall be paid seperately as and when due.	EMG of factory land & building and hypothecation of all movable assets excluding vehicles.
		CORPORATION BANK	TL-III (Foreign Currency)	350	247.19	LIBOR +3%	20 Quartely Installment. Interest shall be paid seperately as and when due.	Exclusive first charge on entire fixed assets of the company (excluding vehicles) both present and future, including EMG of existing factory land & Building.
		CORPORATION BANK	TL-IV (Foreign Currency)	150	128.06	LIBOR +3%	20 Quartely Installment. Interest shall be paid seperately as and when due.	Exclusive first charge on entire fixed assets of the company (excluding vehicles) both present and future, including EMG of existing factory land & Building.
		CORPORATION BANK	TL-V (Foreign Currency)	336	260.42	11.00% +LIBOR 3%	20 Quartely Installment. Interest shall be paid seperately as and when due.	Exclusive first charge on entire fixed assets of the company, (excluding vehicles) both present and future, including EMG of existing factory land & building and proposed land & buildings to be purchased / constructed renovated out of the above loan at Himachal Pradesh and Gujarat.
			TL-V		60.47			
		CORPORATION BANK	TL-VI (Foreign Currency)	112	50.90	11.00% +LIBOR 3%	20 Quartely Installment. Interest shall be paid seperately as and when due.	EMG of Plot No. 12 of Survey No.:207/p, admeasuring 1007 sq. mtrs. purchased for Rs. 1.10 crore and Corporate Office building proposed to be constructed admeasuring 1497.50 Sq. Mtrs. At an estimated cost of Rs. 0.72 crore.

ASTRAL POLY TECHNIK LIMITED

AMOUNT IN LACS

SR. NO.	PARTICULARS OF LOAN	BANK	NATURE OF LOAN	SANCTIONED AMOUNT	AMOUNT OUTSTANDING AS ON 15.01.07	RATE OF INTEREST P.A.(%)	REPAYMENT OF TERMS	SECURITIES OFFERED
		CORPORATION BANK	TL-VII	850 (Sub Limit of Rs.250 Lacs for import L.C. for Capital Goods)	451.34 (L.C.NIL)	11.25% (For L.C. Commission at Prescribed Rate)	20 Quarterly Installment. Interest Shall be paid separately as and when due.	Exclusive first charge on the entire fixed assets of the company (excluding vehicles) both present and proposed building, plant and machineries and other movable fixed assets.
2	WORKING CAPITAL LOAN	CORPORATION BANK		1350	(A)466.57 (B) 727.20	11.25% LIBOR + 3% & 2.5%		Exclusive first Hypothecation charge on stock of raw materials, semi finished goods, finished goods, stores spares(including packing materials) and book debts of the company.
3	LETTER OF CREDIT	CORPORATION BANK		200	-	Commission at Prescribed Rate		Hypothecation of stock and book debt of the company
4	BANK GUARANTEE	CORPORATION BANK		25	3.19	Commission at Prescribed Rate		Extention of first charge on Stock and Book Debt
5	VEHICLE LOANS	HDFC BANK ICICI BANK KOTAK MAHINDRA CITIBANK			0.10 4.85 6.05 1.27 11.24 4.51 7.23			Secured by Hypothecation of Vehicle Finance

ANNEXURE VIII

STATEMENT OF UNSECURED LOANS

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Deposits From						
Promoters	51.37	-	-	-	-	-
Promoters Group	-	2.68	2.75	2.80	0.50	0.50
Group Companies	8.83	3.09	-	-	-	-
Others	101.35	94.33	68.95	40.81	8.73	8.73
TOTAL	161.55	100.10	71.70	43.61	9.23	9.23

Note :

- Interest free Short Term Deposits are accepted from promoters and group companies. There is no stipulation regarding their repayment.

ANNEXURE IX

STATEMENT OF CONTINGENT LIABILITIES NOT PROVIDED FOR

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Letter of Credit Outstanding	25.08	-	-	-	-	26.21
Export Obligation under EPCG Scheme (Duty Involved)	-	-	-	44.50	44.50	38.91
Bank Guarantee	-	-	-	-	2.17	3.19
Capital Contracts Remaining to be Executed	-	-	-	7.00	10.00	222.22
Total	25.08	-	-	51.50	56.67	290.53

ASTRAL POLY TECHNIK LIMITED

ANNEXURE X

STATEMENT OF OTHER INCOME

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Profit Before Tax	(127.89)	183.38	360.02	308.97	484.99	683.10
20% of Profit Before Tax	(25.58)	36.68	72.00	61.79	97.00	136.62
Other Income During the Period	13.39	3.33	4.85	9.14	14.40	32.51

DETAILS OF OTHER INCOME

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006	Remarks
	2002	2003	2004	2005	2006		
Duty Drawback	10.90	-	-	-	-	-	**
Interest Received	0.02	-	-	-	8.35	6.62	*
Bank Interest	0.07	0.17	0.20	0.22	-	-	*
Miscellaneous Income	2.40	3.01	0.79	4.48	3.70	9.49	**
Discount on purchase of DEPB licence	-	-	3.86	4.44	2.35	16.40	**
Interest on income tax refund	-	0.15	-	-	-	-	**
TOTAL	13.39	3.33	4.85	9.14	14.40	32.51	

Note :

1. * Represents Income of recurring nature.
2. ** Represents Income of Non-recurring nature.

ANNEXURE XI

STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
EARNING PER SHARE (EPS)						
FACE VALUE PER SHARE (RS.)	10	10	10	10	10	10
A. Weighted Average no.of Equity Shares						
i) No. of Share at the Beginning of the year	1,185,400	1,510,600	1,510,600	1,510,600	1,645,600	5,644,385
ii) No.of Share at the end of the year	1,510,600	1,510,600	1,510,600	1,645,600	5,644,385	7,867,050
iii) Weighted Average No. of Equity Shares outstanding during the year (For Basic EPS)	4,337,848	2,407,153	4,582,153	4,875,146	4,986,998	7,429,534
iv) Weighted Average no of equity shares outstanding during the year (For Diluted EPS)	4,337,848	4,582,153	4,866,913	4,875,146	5,226,434	7,429,534
B. Net Profit After Tax available for Equity Share Holders (Rs.)	(13,396,000)	11,384,000	27,241,000	22,322,000	38,090,000	58,706,000
C. Basic Earning Per Share (B / A(iii)) (Rs.)	(3.09)	4.73	5.95	4.58	7.64	10.54*
D. Diluted Earning Per Share (B / A(iv)) (Rs.)	(3.09)	2.48	5.60	4.58	7.29	10.54*

*Note: Basic and Diluted EPS for Nine months ended on 31st December, 2006 are on annualized basis

RETURN ON NET WORTH

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Net Profit After Tax available for Equity Share Holders	(133.96)	113.84	272.41	223.22	380.90	587.06
Net Worth	14.57	238.61	533.54	771.35	1,682.09	2,552.42
Return on Net Worth	0.00%	47.71%	51.06%	28.94%	22.64%	30.67%*

*Note: Return on Net Worth for Nine months ended on 31st December, 2006 are on annualized basis

NET ASSET VALUE PER SHARE

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Total Assets - (A)	915.31	1,343.01	1,894.01	2,708.63	4,593.47	6,621.88
Total Liabilities	900.74	1,104.40	1,360.47	1,937.28	2,911.38	4,069.46
Add : Preference Share Capital	63.05	154.81	154.81	154.81	154.81	-
Total - (B)	963.79	1,259.21	1,515.28	2,092.09	3,066.19	4,069.46
Net Asset Value (C) = (A) - (B)	(48.48)	83.80	378.73	616.54	1,527.28	2,552.42
No. of Shares of Rs. 10/- each	1,510,600	1,510,600	1,510,600	1,645,600	5,644,385	7,867,050
Net Asset Value Per Share (Rs.) (C) / (D)	(3.21)	5.55	25.07	37.47	27.06	32.44

DEFINITIONS

EARNING PER SHARE (EPS)	=	NET PROFIT AFTER TAX (AFTER PREF. SHARE DIVIDEND)/ WEIGHTED NUMBER OF OUTSTANDING SHARES
RETURN ON NET WORTH	=	NET PROFIT AFTER TAX (AFTER PREF. SHARE DIVIDEND)/NET WORTH
NET WORTH	=	SHARE CAPITAL + RESERVE AND SURPLUS (EXCLUDING REVALUATION RESERVE)- MISC. EXPS. (TO THE EXTENT NOT WRITTEN OFF)
NET ASSET VALUE	=	TOTAL ASSETS - TOTAL LIABILITIES (INCLUDING PREFERENCE SHARE CAPITAL)

ASTRAL POLY TECHNIK LIMITED

ANNEXURE XII

STATEMENT OF DIVIDEND PAID

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
(A) Equity Share Capital Dividend Paid	151.06 -	151.06 -	151.06 -	164.56 -	564.44 -	786.71 -
(B) Preference Share Capital	63.04	154.81	154.81	154.81	154.81	-
Dividend Amount (half year) 9%	-	-	-	2.20	2.20	-
Dividend Amount(half year) 6%	-	-	-	3.18	3.18	-
Total	-	-	-	5.38	5.38	-
Tax on Dividend	-	-	-	0.70	0.75	-
Dividend %	-	-	-	9 & 6	9 & 6	-

Note : No Dividend has been paid on the Equity Share Capital.

ANNEXURE XIII
CAPITALISATION STATEMENT

(Rs. In Lacs)

Particulars	Nine Months Ended on 31st December, 2006	Adjusted for present Issue
Debts :		
Secured Loans	2,260.87	2,260.87
Unsecured Loans	9.23	9.23
Total Debts	2,270.10	2,270.10
Less : Short Term Debts	928.76	928.76
Total Long Term Debts	1,341.34	1,341.34
Share Holders Fund :		
Share Capital (A)	786.71	1,123.81
Reserve & Surplus (Excluding Revaluation Reserve) (B)	1,765.95	5,261.50
Less :		
Misc. Exps.(to the extent not written off) (C)	0.24	0.24
Total Share Holders Funds		
(A) + (B) - (C)	2,552.42	6,385.07
Debt/ Equity Ratio (Long Term Debt/ Share Holders Funds)	0.53 : 1	0.21:1

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - XIV

STATEMENT OF TAX SHELTER

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended
	2002	2003	2004	2005	2006	31.12.2006
Tax rate (including surcharge and education cess)	35.70%	36.75%	35.88%	36.59%	33.66%	33.66%
MAT Rate (including surcharge and education cess)	7.650%	7.875%	-	-	8.42%	11.22%
Net Profit Before Tax & Extra Ordinary Items	(127.89)	183.38	360.02	308.97	484.99	683.10
Book Profit for MAT	8.47	152.83	-	-	494.82	695.18
Total Tax at Normal Rate/ MAT	0.65*	12.04*	129.16	113.06	41.64*	78.00 *
Adjustments:						
1. Permanent Differences						
General Disallowances	(0.89)	(0.05)	(0.54)	(7.08)	(16.83)	-
Other Adjustments	(55.10)	(48.35)	136.88	4.32	(217.63)	(101.74)
Total Permanent Difference	(55.99)	(48.40)	136.34	(2.76)	(234.46)	(101.74)
2. Timing Differences						
Difference in Valuation of Inventories	-	-	-	-	-	-
Difference in Books and Tax Depreciation	44.70	44.70	105.17	93.43	234.39	101.74
Carried Forwarded Losses / Unabsorbed Depreciation	-	-	-	-	-	-
Expenses u/s. 43 B (allowed) / disallowed	11.32	3.71	(2.61)	(0.10)	0.08	-
Total Timing Difference	56.02	48.41	102.56	93.33	234.47	101.74
Net Adjustments (B) = (1) + (2)	0.03	0.01	238.90	90.57	0.01	(0.00)
Tax Savings on Net Adjustment (C)	0.00	0.00	85.71	33.14	0.00	(0.00)
Total Taxation (D) = (A) + (C)	0.65	12.03	43.45	79.92	41.64	78.00

Note:

* The information pertaining to the years ended 31/03/2002 to 31/03/2005 are as per the Return of Income filed by the company except for the year ended 31/03/2006 and Nine Months ended on 31st December, 2006. The effect of assessment /appellate orders have not been considered above.

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31st March, 2002.

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(iv) **THOMPSON PLASTIC**

(b) Key Management Personnel

Mr.Sandeep P. Engineer

Mrs.Jagruti S. Engineer

(c) Relatives of Key Management Personnel

Sandeep P. Engineer HUF

Mr.Bipin R. Mehta

Mrs.Rekha B. Mehta

Mrs.Hansa P. Engineer

Pravinbhai C. Engineer HUF

Pravinbhai C. Engineer (Family Trust)

Pravinbhai C. Engineer

(d) Individual / Relatives having significant influence over the enterprise

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	60.79	-	-	-
Loans & Advances	22.10	-	-	-
Remuneration	-	6.00	-	-
Rent	-	3.00	0.60	-
Electricity Charges	0.54	-	-	-
Vehicle Hire Charge	-	-	1.10	-

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31st March, 2003.

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(iv) **THOMPSON PLASTIC**

(b) Key Management Personnel

Mr.Sandeep P. Engineer

Mrs.Jagruti S. Engineer

(c) Relatives of Key Management Personnel

Sandeep P. Engineer HUF

Mr.Bipin R. Mehta

Mrs.Rekha B. Mehta

Mrs.Hansa P. Engineer

Pravinbhai C. Engineer HUF

Pravinbhai C. Engineer (Family Trust)

Pravinbhai C. Engineer

(d) Individual / Relatives having significant influence over the enterprise

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	140.20	-	-	-
Loans & Advances	41.92	-	-	-
Remuneration	-	6.00	-	-
Rent	-	3.00	1.45	-
Interest	-	-	0.04	-
Electricity Charges	0.17	-	-	-
Telephone exps.	0.04	-	-	-
Market Outsourcing Charges	9.00	-	-	-
Vehicle Hire Charge	-	-	1.87	-

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31st March, 2004.

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(iv) **THOMPSON PLASTIC**

(b) Key Management Personnel

Mr.Sandeep P. Engineer

Mrs.Jagruti S. Engineer

(c) Relatives of Key Management Personnel

Sandeep P. Engineer HUF

Mr.Bipin R. Mehta

Mrs.Rekha B. Mehta

Mrs.Hansa P. Engineer

Pravinbhai C. Engineer HUF

Pravinbhai C. Engineer (Family Trust)

(d) Individual / Relatives having significant influence over the enterprise

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	62.41	-	-	-
Loans & Advances	123.18	-	-	-
Remuneration	-	14.40	-	-
Rent	-	3.00	2.40	-
Interest	-	-	0.33	-
Telephone exps.	0.76	-	-	-
Market Outsource Charge	12.00	-	-	-
Vehicle Hire Charge	-	-	3.66	-

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31st March, 2005.

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(b) Key Management Personnel	(c) Relatives of Key Management Personnel	(d) Individual / Relatives having significant influence over the enterprise
Mr.Sandeep P. Engineer	Sandeep P. Engineer HUF	
Mrs.Jagruti S. Engineer	Mr.Bipin R. Mehta	
	Mrs.Rekha B. Mehta	
	Mrs.Hansa P. Engineer	
	Pravinbhai C. Engineer HUF	

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	105.13	-	-	-
Loans & Advances	193.43	-	-	-
Remuneration	-	14.40	-	-
Rent	-	4.80	4.20	-
Interest	-	-	0.28	-
Telephone exps.	0.29	-	-	-
Market Outsource Charge	9.92	-	-	-
Vehicle Hire Charge	-	-	1.40	-

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31st March, 2006.

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(b) Key Management Personnel	(c) Relatives of Key Management Personnel	(d) Individual / Relatives having significant influence over the enterprise
Mr.Sandeep P. Engineer	Sandeep P. Engineer HUF	
Mrs.Jagruti S. Engineer	Mr.Bipin R. Mehta	
	Mrs.Rekha B. Mehta	
	Mrs.Hansa P. Engineer	

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	153.11	-	-	-
Sales	0.19	-	-	-
Loans & Advances	169.23	-	-	-
Remuneration	-	31.20	12.00	-
Rent Paid	-	4.25	5.30	-
Interest Paid	-	-	0.21	-
Interest Received	6.17	-	-	-
Purchase of Immovable Property	-	126.84	-	-

ASTRAL POLY TECHNIK LIMITED

ANNEXURE - XV

STATEMENT OF RELATED PARTY DISCLOSURES FOR NINE MONTHS ENDED 31st December, 2006

1 Relationship

(a) Enterprise over which key Management Personnel and their relatives exercise significant influence.

(i) **KAIRAV CHEMICALS LIMITED**

(ii) **SAUMYA PHARMA PRIVATE LIMITED**

(iii) **SAUMYA POLYMERS PRIVATE LIMITED**

(b) Key Management Personnel	(c) Relatives of Key Management Personnel	(d) Individual / Relatives having significant influence over the enterprise
Mr. Sandeep P. Engineer	Sandeep P. Engineer HUF	
Mrs. Jagruti S. Engineer	Mr. Bipin R. Mehta	
	Mrs. Rekha B. Mehta	
	Mrs. Hansa P. Engineer	

2 Transactions

(Rs. in Lacs)

Nature of Transaction	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Purchase	63.90	-	-	-
Sales	1.00	-	-	-
Loans & Advances	116.94	-	-	-
Remuneration	-	28.50	9.00	-
Rent Paid	-	-	4.05	-
Rent Received	2.25	-	-	-
Interest Received	5.59	-	-	-

ANNEXURE XVI

STATEMENT SHOWING INVESTMENTS MADE BY THE COMPANY

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
(Unquoted Investments)	-	-	-	-	-	-
Trade and Quoted Investments (Parsvnath Developers Limited)	-	-	-	-	-	0.07
Madhaupura Mercantile Co. Op. Bank Ltd. (5010 Equity Shares of Rs. 100/- Each Fully Paid Up)	5.01	-	-	-	-	-
Total	5.01	-	-	-	-	0.07

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST FIVE YEARS AND NINE MONTHS:

We hereby certify that there have been no changes in significant accounting policies in the Auditors report issued by us under the Companies Act, 1956 for Astral Polytechnik Limited for the financial years ended 31st March, 2002, 2003, 2004, 2005, 2006 and nine months ended on 31st December, 2006, except disclosed herein below.

However there will be no impact on the financials given in the offer documents since the same are being suitably reinstated.

(A) Financial year ended 31st March 2002:

During the year 2001-02 there was no change in the accounting policies adopted by the Company.

(B) Financial year ended 31st March 2003:

During the year 2002-03 there was no change in the accounting policies adopted by the Company.

(C) Financial year ended 31st March 2004 - Valuation of Inventories:

Till 31.03.2003 the Company was valuing its stocks of finished goods at "Net Sales Price". However for better compliance of the Accounting standard -2 "Valuation of Inventories", the management has decided to adopt the valuation method for valuing its stocks of finished goods as suggested by the said standard at Cost or Net Realisable Value, whichever is less. Accordingly the method for valuation of finished goods has been changed.

Due to this change in accounting policy the net profit of the year 2003-04 was understated by Rs. 129.95 Lacs.

(D) Financial year ended 31st March 2005 - Revaluation of Fixed Assets:

During the year the company has revalued its assets on 30.09.2004, with a view to bring the same on more realistic recoverable amount and to recognize any impairment in carrying amount of the value of fixed assets, by appointing the approved valuers for the purpose, based on the Fair Market Value.

As a result and following conservatism and prudence, the company has recognized all impairment in the value of fixed assets by writing down the value of respective assets and debited to Profit & Loss Account under the head Exceptional Items. However no write up in the value of assets is recognized unless it is significant in nature. An amount has been written up to the land and the same has been credited to the Revaluation Reserve under the head Reserve & Surplus. The effects of the same on the final accounts are disclosed by way of note.

As a result of revaluation of fixed assets during the year and as disclosed under the head Accounting Policies, the company has write down an amount of Rs. 96.20 Lacs from Plant & Machineries and charged to the Profit & Loss Account and shown as Exceptional Items. Further an amount of Rs. 121.14 Lacs has been added to the value of

ASTRAL POLY TECHNIK LIMITED

Land as write up and credited to the Revaluation Reserve under the head Reserve & Surplus.

(E) Financial year ended 31st March 2006:

During the year 2005-06 there was no change in the accounting policies adopted by the Company.

(F) Nine months ended 31st December 2006:

During the nine months ended on 31st December 2006 there was no change in the accounting policies adopted by the Company.

For, N. Gamadia & co.
Chartered Accountants
Sd/-
Nilesh Gupta
PARTNER
M. NO.100426

Place: Ahmedabad

Date : 26th January, 2007

QUALIFICATION TO ACCOUNTS IN LAST THREE YEARS:

During the last three years (31st March 2004, 2005 and 2006) following were the qualification in the Auditor's Report of respective years. However there will be no impact on the financials given in the offer documents since the same are being suitably reinstated.

(A) Qualification in the Auditor' s Report for the year 2003-04:

"(vi). ...that the Company was following the method of valuation of stocks of Finished goods at Net Sales Price, till 31.03.2003. However Accounting standard -2 on " Valuation of Inventories" issued by the Institute of Chartered Accountants of India requires the valuation of stocks of Finished goods in " At cost or Net realizable value which ever is lower". For better compliance of the said accounting standard, the management has changed the method of valuation of Finished Goods and adopted the method prescribed in the said standard and the same have been disclosed in schedule -" X", "Accounting Policies and Notes on Accounts". On account of such change in the method of valuation of Finished goods, the current year's Net Profit is understated by Rs. 129.95 Lacs."

(B) Qualification in the Auditor' s Report for the year 2004-05:

(vi) ...and facts relating to the revaluation of its assets disclosed in note number 3(c) of schedule - X of Accounting Policies and Notes on Accounts...." Which reads as under :

" During the year the company has revalued its assets on 30.09.2004, with a view to bring the same on more realistic recoverable amount and to recognize any impairment in carrying amount in the value of Fixed Assets, by appointing approved valuers for the purpose, based on the fair market value.

As a result and following conservatism and prudence, the company has recognized all impairment in the value of assets by writing down the value of respective assets and debited to the profit and loss account under the head "Exceptional Items". However, no write up in the value of assets is recognized unless it is significant in nature. An amount has been written up to the land and the same has been credited to the Revaluation Reserve under the head "Reserves and Surplus".

For, N. Gamadia & co.
Chartered Accountants
Sd/-
Nilesh Gupta
PARTNER
M. NO.100426

Place: Ahmedabad

Date : 26th January, 2007

FINANCIAL INFORMATION OF GROUP COMPANIES

1. Kairav Chemicals Limited (KCL)

KCL was incorporated on November 23, 1989, at Ahmedabad, having registration number 04-13044 . The Registered office of KCL is situated at 901, Parshwa Towers, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad.

The object for which the company is incorporated is as follows:

"To carry on trade and business of manufacturing, processing, trading, buying, selling, reselling, importing, exporting, exchanging, distributing, supplying, refining and acting as agents and dealing in all kinds of chemical used in veterinary medicines, biological products, medicines, pharmaceuticals, vitamins, hormones, proteins, mixtures, powders, tablets, capsules, injection, ointments, vaccines, formulations, nutrients, health products, creams, scents, shampoo, soaps, lotions, toilet goods, syrup, tonics, pills, mother tinctures, trituration, glucose, nourishment foods, perfumes, water for injection, medicinal preparations, and patents required for used in allopathic, ayurvedic, unani, homoeopathic, nature cure treatments for prevention or prophylactic and/or cure for human beings and animals, medical wines, antibiotics, tranquiliser and intermediates and reagents".

This company is currently engaged, inter alia, in the business of manufacture of pharmaceutical bulk drugs.

The Shareholding Pattern of KCL as on December 31, 2006, is as follows :

Name of the Shareholder	No. of Shares	%age of shareholding
Mr. Sandeep P. Engineer	3,83,340	40.37
Mrs. Jagruti S. Engineer	17,760	1.87
Mr. Sandeep P. Engineer jointly with Mrs. Jagruti S. Engineer	21,300	2.24
Mrs. Hansaben P. Engineer	40,800	4.30
Mr. Bipin R. Mehta	3,00,100	31.61
Mrs. Rekha B. Mehta	100	0.01
Mrs. Manorama Dalal	100	0.01
Saumya Polymers Private Limited	1,86,000	19.59
TOTAL	9,49,500	100.00

The Board of Directors of KCL as on December 31, 2006, comprises of the following:

Name of Director	Designation
1. Mr. Sandeep P. Engineer	Managing Director
2. Mrs. Jagruti S. Engineer	Director
3. Mrs. Hansaben P. Engineer	Director

Brief Audited Financials in the last three years:

Particulars	(Rs. in Lacs)		
	FY 2006	FY 2005	FY 2004
Total Income	1523.24	1142.07	1082.08
Profit After Tax	68.58	(11.34)	125.98
Equity Share Capital (Face Value of Rs.10/- per share)	94.95	94.95	94.95
Reserves and Surplus*	100.54	31.95	31.42
Earning Per Share (EPS)(Rs)	7.22	(1.00)	4.61
Book Value Per Share (Rs) ^	17.71	10.48	11.49

(* excluding revaluation reserves)

(^ excluding State Capital Investment Subsidy)

The sales and purchases of KCL does not exceed 10% of total sales of our Company

Details of Group Companies whose names have been struck off from RoC:

None of the companies promoted by our Promoter have been struck off the record of Registrar of Companies.

Promoter Group referred to BIFR/under Winding Up/having Negative Net Worth:

None of the Promoter Group Companies have been referred to BIFR or are winding up or have a negative network.

ASTRAL POLY TECHNIK LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our financial statements included in the Prospectus. You should also read the section titled "Risk Factors" beginning on page xi of the Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI Guidelines and restated as described in the report of our Statutory Auditor N. Gamadia & Co., Chartered Accountants dated January 26, 2007 in the section titled "Financial Statements" beginning on page 118 of the Prospectus.

Our financial year ends on March 31 of each year, so all references to a particular fiscal year are to the 12-month period ended March 31 of that year. Our historical financial performance may not be considered as indicative of future financial performance.

Business Overview

We are a manufacturer and provider of CPVC piping and plumbing systems in India since 1999. We are the first licensee of Noveon, USA (formerly known as Speciality Chemical Division of B.F Goodrich, USA) to manufacture and market CPVC piping and plumbing system in India. In order to strengthen our business plans, we entered into a techno-financial joint venture with Specialty Process LLC of USA, which provided us the required technical expertise for manufacturing CPVC pipes and fittings for home, industrial and other applications.

Over the years, we have expanded and enhanced our product lines to provide continually improved services to our customers. As a manufacturer of CPVC pipes and fittings for hot and cold water, industrial and pressure systems application, we had introduced a new product range in lead free PVC pressure pipes and fittings in the year 2004. With a concept of providing a one-stop source for all the plastic piping systems, we also began trading in products such as CPVC and PVC fittings, flanges and valves from Spears (USA), solvent cements (adhesive solutions) for joining pipes and fittings from IPSC (USA), underground speciality fittings from Hunter (U.K) and CPVC & PVC plastic pipes of a larger diameter from Harvell Inc. (USA).

Our Company has its production facilities at Gujarat and Himachal Pradesh to manufacture plumbing systems from ½" to 8" diameter. Our products include CPVC pipes and fittings for hot and cold water plumbing systems, CPVC industrial piping system for transportation of hazardous and highly corrosive chemicals, lead free PVC systems for cold water application.

Significant Developments subsequent to the last financial year

In the opinion of our Board of Directors, except the following, there are no significant developments since the last financial year:

1. We have signed license agreement with Noveon Inc. to manufacture and sell in India, CPVC based fire sprinkler system under the brand name of **"BlazeMaster"**.
2. We have applied for NSF certification for our end products.
3. We have converted from a Private Limited Company to a Public Limited Company.
4. We have re-classified our share capital and made a further issue of shares, including those made to our employees, advisors and business associates.
5. We have broad based our Board of directors by induction of two independent directors and also constituted two Board committees viz. the Audit Committee and the Investor Grievance Committee.
6. Contingent Liabilities have increased from Rs. 56.67 Lacs to Rs. 290.53 Lacs, due to capital contracts remaining to be executed.
7. We have received the Corp Excel- National SME Excellence Award- 2006 instituted by Corporation Bank.

Factors affecting the results of Operations

Sales

Our sales comprise of manufactured items of CPVC / PVC pipes and fittings, trading items, mainly, fittings of CPVC / PVC from Spears, USA and solvent cement from IPSC, USA.

The item-wise break-up of sales for the earlier years is as under:

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
CPVC Pipes and Fittings	759.23	1238.47	2084.29	2895.21	3558.97	4149.05
Lead Free PVC Pipes and Fittings	-	-	25.28	485.81	1300.64	1861.02
Total sales of manufactured Items	759.23	1238.47	2109.57	3381.02	4859.61	6010.07
IPS Solvent	42.03	68.53	87.81	164.34	294.34	387.35
Others	0.16	3.77	2.65	0.72	11.43	15.40
Total	801.42	1310.77	2200.03	3546.08	5165.38	6412.82

We launched Tin Based PVC Pipes and Fittings under our own brandname "**Astral Aquarius**" in FY 2004. The main reasons were

- We believe that use of lead free compound was the best way to manufacture completely lead free products. Hence, we preferred to develop TIN based compounds through in-house R & D and introduced lead free PVC pipes and fittings.
- We needed to tap new segments of the market to offer a wider range of products to our customers and users.
- We needed to provide a combination of CPVC and PVC products such that there is no compromise on product quality and strength where the cost is the constraint in any project.

Exports

The composition of our sales both in the domestic as well as in the overseas market is as follows:

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Domestic Sales	763.55	1310.77	2190.23	3502.88	5078.29	6346.42
Export- Manufactured Goods	-	-	-	36.71	72.97	59.20
Export- Traded Goods	37.87	-	9.80	6.49	14.12	7.20
Total exports	37.87	-	9.80	43.20	87.09	66.40
Total	801.42	1310.77	2200.03	3546.08	5165.38	6412.82

We have set up this business primarily to cater to the Indian Markets. However the plumbing markets of our neighbouring countries are very much similar in nature, hence after establishing a foothold in the Indian Market we ventured in the export market and have made a small beginning. We cater to South East Asian countries and Middle East countries in the export segment. After the implementation of the proposed expansion project we will be in a position to focus on the export markets more actively. Generally, logistic cost is a major challenge in developing export markets for pipes, as pipes are light in weight and occupy more volume. We are looking to export more of fittings and encourage pipe manufacturing locally. We shall be open to look into possibility of joint venture to manufacture pipes at strategic locations in Middle East, South East Asia and Africa.

ASTRAL POLY TECHNIK LIMITED

Other Income

Other income primarily comprises of miscellaneous income. Over the past three years, we have also received discounts on purchase of DEPB license for our imports, which are reflected in other income. The share of Other Income has increased marginally from Rs. 13.39 Lacs in FY 2002 to Rs. 14.40 Lacs in FY 2006 where as our total income has increased from Rs. 812.29 Lacs in FY 2002 to Rs. 5372.67 Lacs in FY 2006. Other Income for the period ended December 31, 2006 is Rs. 35.21 Lacs, which includes discounts of Rs. 16.40 Lacs on purchase of DEPB Licenses. We have also received interest of Rs. 6.62 Lacs during the period and the balance comprises of miscellaneous income.

Raw Material Cost

Our major Raw material includes the CPVC resin imported from Noveon Inc for our CPVC products "**Astral Corzan**" and "**Astral FlowGuard**". The PVC resin is procured mainly from Reliance and IPCL. In our manufacturing process, the major cost is Raw Materials. We also purchase dyes and chemicals for making PVC compounds. Brass components are also used as inputs in our fittings since many fittings are fitted with Brass components. We procure brass components locally from Gujarat. We get such components manufactured as per our specification and under strict quality control.

Operating (other than raw material) and other expenses

Operating expenses include other manufacturing expenses, salaries and wages, administration expenses and selling and distribution expenses. These expenses have seen marginal increase over earlier years mainly due to increase in selling and distribution expenses. Operating expenses as a percentage of Net Sales is 25.21% in FY 2006 as compared to 21.50% in FY 2002.

Depreciation

Depreciation has been provided on Fixed Assets on Straight Line Method as per rates specified in Schedule XIV of the Companies Act, 1956 as amended from time to time.

Earnings before Interest, Depreciation and Tax

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
EBITDA (A)	(15.27)	300.00	526.28	517.09	757.84	988.66
Net Sales	801.42	1310.76	2200.03	3546.07	5165.38	6412.82
EBITDA / Net Sales	(1.91)%	22.89%	23.92%	14.58%	14.67%	15.42%

CPVC products were introduced as up market products, as the upper strata of the market is more receptive to new innovative products. Naturally, the margins earned by our company were comparatively higher. However, we understood that the volumes remain restricted if the products are not positioned for mid market strata, where the activities take place in large volumes. Further, we introduced Lead free PVC product range in second half of 2004. We also launched our first promotion campaign on TV media in 2004-05. For all these reasons, our EBITDA found a lower level close to 15% from the year 2005, which has been maintained since then.

Profit After Tax

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Net profit after extra ordinary items	(128.99)	113.25	272.49	221.07	386.99	587.06
Net Sales	801.42	1310.76	2200.03	3546.07	5165.38	6412.82
PAT / Net Sales	(16.10)%	8.64%	12.39%	6.23%	7.49%	9.15%

Taxation is the function of income and efficient use of tax incentives. With setting up of manufacturing facility at Himachal Pradesh, our company has been able to maintain a lower tax burden. Since the tax incentive package effective from December 1, 2004, has been extended to all new projects at HP, we expect to leverage the same for suitable products. One of the reasons for increase in Profit After Tax as a percentage of Net Sales from 6.23% in FY 2005 to 9% for the period ended December 31, 2006 is the tax incentives available to the Company for its unit at HP.

Sundry Debtors

The details of debtors for the respective years are as under:

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Net Sales	801.42	1310.76	2200.03	3546.07	5165.38	6412.82
Debtors	265.80	417.20	653.12	604.05	950.64	1417.31
Debtors less than 180 days	239.10	417.20	639.19	577.67	918.97	1363.95
Debtors more than 180 days	26.70	-	13.93	26.38	31.67	53.36
Bad Debts written off	Nil	Nil	Nil	Nil	Nil	Nil
No of days outstanding debtors (days)	121.06	116.18	108.36	62.18	67.17	60.50
% of bad debts to sales (%)	Nil	Nil	Nil	Nil	Nil	Nil

Discussion on Results of Operations

Particulars	Year Ended 31st March							
	2003	% of total income	2004	% of total income	2005	% of total income	2006	% of total income
INCOME								
Sales	1,310.76	99.33	2,200.03	97.34	3,546.07	95.36	5,165.38	96.14
Other Income	3.33	0.25	4.85	0.21	9.14	0.25	14.40	0.27
Increase (Decrease)								
In Inventory	5.52	0.42	55.36	2.45	163.27	4.39	192.89	3.59
Total Income	1,319.61	100.00	2,260.24	100.00	3,718.48	100.00	5,372.67	100.00
EXPENDITURE								
Raw Materials	685.73	51.96	1,186.38	52.49	2,136.72	57.46	3,312.46	61.65
Manufacturing and Staff Costs	99.99	7.58	190.16	8.41	286.88	7.71	465.32	8.66
Administrative Costs	70.21	5.32	79.58	3.52	153.32	4.12	236.01	4.39
Selling & Distribution Costs	163.68	12.40	277.84	12.29	624.47	16.79	601.04	11.19
TOTAL EXPENDITURE	1,019.61	77.27	1,733.96	76.72	3,201.39	86.09	4,614.83	85.89
Profit Before Interest, Depreciation, Income Tax, Amortisation	300.00	22.73	526.28	23.28	517.09	13.91	757.84	14.11
Interest	72.80	5.52	99.31	4.39	117.53	3.16	125.74	2.34
Amortisation	43.82	3.32	66.95	2.96	90.59	2.44	147.11	2.74
Net Profit Before Tax	183.38	13.90	360.02	15.93	308.97	8.31	484.99	9.03
Provision For Taxation	70.13	5.31	87.53	3.87	87.90	2.36	98.00	1.82
Net Profit After Tax	113.25	8.58	272.49	12.06	221.07	5.95	386.99	7.20

ASTRAL POLY TECHNIK LIMITED

Review of the performance for the nine month period ended December 31, 2006

During the nine month period ended December 31, 2006 the net sales of our CPVC / PVC pipes and fittings were Rs. 6412.82 lacs as compared to Rs.5165.38 lacs for the full year ended March 31, 2006. During this period our company experienced a rise in demand for all our products i.e. CPVC pipes & fittings, industrial pipes & fittings, Tin based PVC pipes & fittings, Solvent Cement and other trading items. Our EBITDA margins for the period were 15.42 % as against 14.67% for the previous financial year. However our PAT margins increased from 7.49% to 9.15% on account of a decline in selling and distribution expenses, high turnover, better utilization of our capacities and tax incentives available to us for our HP unit.

Comparison of FY 2006 with 2005

Total Income

Total Income for the financial year ended March 31, 2006 was Rs. 5372.67 Lacs as against Total Income of Rs. 3718.48 Lacs during the previous financial year ended March 31, 2005. This jump was a result of higher sales of all our products during FY 2006. Like previous years the contribution of Other Income to our Total Income has been negligible which stood at Rs.14.40 lacs representing 0.27% of the total income in FY 2006 as against Rs.9.14 lacs representing 0.25% of the total income in FY 2005.

Total Expenditure

This year our expenditure was slightly less as a percentage of Total Income as compared to the previous year. This is mainly due to reduction in selling and distribution expenses from Rs 624.47 Lacs in FY 2005 to Rs. 601.04 Lacs in FY 2006.

Raw material prices were adversely affected by all time high petroleum prices. Similarly spurt in metal prices also made our brass components costlier. Whereas, the raw material prices are likely to find correction with lowering of petroleum prices, in FY 2007, we have started passing on the rise in metal prices to the market.

Reduction in sales and marketing expenses from 16.79% to 11.79% of revenue is mainly attributable to a special media campaign carried out by us in FY 2005 for branding of our products.

We have also contained our interest cost by efficient funds management and tax liabilities due to manufacturing facilities at Himachal Pradesh.

PAT

Our Net profit after tax had increased from Rs. 221.07 Lacs to Rs. 386.99 Lacs on the back of high sales and lower costs as a percentage of total income during the year.

Comparison of Fiscal 2005 with 2004

Total Income

Sales increased from Rs. 2200.03 Lacs in FY 2004 to Rs. 3546.07 Lacs in FY 2005. This was mainly because the sales of our CPVC pipes and fittings "**Astral FlowGuard**" and "**Corzan**" had increased. Our Tin based PVC productline "**Astral Aquarius**" which was launched in 2004 saw a substantial increase in sales.

Expenditure

This year our expenditure increased as a percentage of Total Income as compared to the previous year. This was the first full year of sale of lead free PVC products. The higher cost of PVC compound and relatively competitive realization of end products, resulted in overall higher raw material cost as percentage to Revenue. During the year 2005, Astral carried out its special promotion campaign on TV media to brand its CPVC products in India.

PAT

Introduction of Lead free PVC at competitive prices, launch of first TV media campaign, resulted into reduction in PAT from 12% to 6% of the revenue.

Comparison of FY 2004 with 2003**Total Income**

This year our Total Income was Rs. 2260.24 Lacs as compared to Rs. 1319.61 Lacs in the previous year. Our sales of CPVC products increased and we also launched our new product "Tin Based Lead Free Astral PVC Pipes" in the second half of the year.

Expenditure

Our Expenditure had increased from Rs. 1019.61 Lacs in FY 2003 to Rs. 1733.96 Lacs in FY 2004. The expenditure increase was in line with the increase in sales and as a percentage to total income, it maintained its levels.

PAT

This year our PAT had increased due to increase in sales and also due to benefits derived from economies of scales as a result of higher production levels.

Information required as per clause 6.10.5.5 Of SEBI DIP Guidelines**Unusual or infrequent events or transactions**

There are no unusual or infrequent events or transactions that have significantly affected our business.

Significant economic changes that materially affected or are likely to affect income from continuing operations

There have been no significant economic and regulatory changes that materially affected or are likely to affect income from continuing operations.

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

In event of any of termination of any of the Distribution agreements/ Technology License Agreements entered into by the Company with their collaborators, the same could have a material adverse impact on sales, revenue or income from continuing operations

Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Any increase in the prices of our primary raw material used in the manufacture of our products, or in the event of foreign currency fluctuations, the same could materially affect the cost of our production.

Total turnover of each major industry segment in which our Company operated

The company operates in only one industry segment - Plumbing and piping segment.

Status of any publicly announced new products or business segment

We are introducing the following new products

- Astral BlazeMaster
- Astral Underground System
- Astral SWR
- ABS Pressure pipes and fittings

The extent to which business is seasonal

Our business is not seasonal in nature. However, our customers are primarily in the business of construction and these construction activities are affected by heavy rains and extreme weather conditions which indirectly affects our sales.

Any significant dependence on a single or few suppliers or customers

Our Company sources its CPVC Raw Material from Noveon USA only. PVC Raw Material is generally purchased from Reliance Industries Limited and IPCL.

Competitive conditions

We face competition from both Organised and Unorganised segment. For more details on competition please refer to chapter titled "Our Business" under section titled "About Us" beginning on page 60 of the Prospectus.

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SECTION VI : LEGAL AND REGULATORY INFORMATION

OUTSTANDING LITIGATIONS, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

As on date of filing the Prospectus with ROC, there are no outstanding litigations against our Company, our Directors, our Promoters and our Promoter Group/Group companies or any disputes, tax liabilities, non payment of statutory dues, overdues to banks/ financial institutions, defaults against banks/ financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoters and our Promoter Group/Group companies, except the following:

A. Outstanding litigation and contingent liabilities of our Company :

- (i) Litigation involving Criminal Offences: Nil
- (ii) Litigation/Disputes involving Securities related offences, including penalties imposed by SEBI or any other securities market regulator in India or abroad: Nil
- (iii) Litigation involving Statutory and other offences, including penalties imposed by any regulatory authority in India or abroad (Present or past): Nil
- (iv) Litigation involving Civil and Economic Offences: Nil
- (v) Litigation in relation to labour laws, and employee related cases: Nil
- (vi) Litigation involving revenue authorities (customs/excise/sales tax/income tax/service tax): Nil
- (vii) Litigation involving customers/suppliers/agents: Nil
- (viii) Litigation in the nature of winding up petitions/ liquidation/ bankruptcy / closure filed by / against our company: Nil
- (ix) The Auditors report for December 31, 2006, states that there are no contingent liabilities not provided for except otherwise as below:

(Rs. In Lacs)

Particulars	Year Ended 31st March					Nine Months Ended 31.12.2006
	2002	2003	2004	2005	2006	
Outstanding Letter of Credit	25.08	-	-	-	-	26.21
Export Obligation under EPCG Scheme (duty involved)	-	-	-	44.50	44.50	38.91
Bank Guarantee	-	-	-	-	2.17	3.19
Capital Contracts remaining to be executed	-	-	-	7.00	10.00	222.22
Total	25.08	-	-	51.50	56.67	290.53

In the event the obligations materialize, our Company will face additional financial burden to the extent, thereby affecting our profitability.

B. Non payment of statutory dues or dues to Banks / Institutions: Nil

C. Overdue interest/ principal as on current date: Nil

There have been no defaults and there are no overdues in respect of bonds, debentures and fixed deposits (placed through public or private placement) and arrears in respect of cumulative preference shares or any other liabilities as on current date.

Further, there are no litigations/disputes/penalties or any proceedings known to be contemplated by government authorities.

There are no litigations against any other company whose outcome could have materially adverse effect on the position of our Company.

D. Outstanding Litigations and defaults pertaining to our Directors and Promoters: Nil

E. Outstanding litigations involving Promoter Group/Group companies:

(i) Kairav Chemicals Limited ("KCL")

Authority before whom pending	Nature of the case and particulars	Financial Implications (in case of non-favourable outcome)
Gujarat High Court	A winding up petition filed on September 13, 2006 by KCL against Ambalal Sarabhai Enterprises Ltd. for the winding up of the respondent company due to the alleged default in payment by the respondent company of the outstanding claim amount of the petitioner has been disposed off vide order dated November 21, 2006 and consent terms dated November 18, 2006 have been entered into by the parties to the petition wherein the respondent company has agreed to make payment by January 31, 2007 of Rs. 10.31 Lacs i.e. 90% of the principal outstanding amount of Rs. 11.46 Lacs.	Rs. 10.31 Lacs

Other than the aforesaid, none of our Promoter Group/Group companies are involved in any outstanding litigations.

Material developments since the last Balance Sheet date

There have been no material developments since the last Balance Sheet date, i.e. December 31, 2006.

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GOVERNMENT APPROVALS

Except for pending approvals mentioned under this section, our Company has received the necessary consents, licenses, permissions and approvals from the Government/RBI and various Government agencies required for our present business. Further, except for pending approvals as detailed herein, our Company can undertake all our present activities and activities as proposed in the chapter titled "Objects of the Issue" under section titled "Introduction" beginning on page 23 of the Prospectus.

Our Company has received the following significant Government approvals, licenses and permissions:

Incorporation

1. Certificate of Incorporation bearing No. 04-29134 dated March 25, 1996 from the Registrar of Companies, Gujarat.
2. Fresh Certificate of Incorporation consequent to name change dated September 29, 2006 from the Registrar of Companies, Gujarat with CIN U25200GJ1996PLC029134.

General Licenses/Approvals/ Certificates

3. Permanent Account Number under the Income Tax Act is AABCA2951N.
4. Letter dated July 12, 2001 by the Income Tax Officer, Ahmedabad allotting our Company's Tax Deduction Account Number AHMA00853G under the Income Tax Act, 1961.
5. Letter dated February 14, 2005 by the Deputy Commissioner of Service Tax allotting to our Company the service tax code number AABCA295INST001 for payment of service tax for transport of goods by road for our factory at Gujarat
6. Certificate of Importer Exporter Code (IEC) dated February 2, 1998 bearing IEC No. 0897008171 issued by the Ministry of Commerce, Gujarat.
7. Acknowledgement No. 533/SIA/IMA/2000 dated March 6, 2000 received pursuant to the provision of Press Note 6 dated July 29, 1993 and Press Note 17 dated November 28, 1997 from Secretariat Of Industrial Assistance, Ministry of Commerce and Industry confirming receipt of our Company's Industrial Entrepreneur's Memorandum for items stated therein at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat. Further, vide letter dated August 31, 2006 we have informed the authorities about change of our registered office to our current Registered Office address.
8. Letter dated November 2, 2004 by the Foreign Trade Development Officer granting EPCG License No. 0830000676 under Chapter V of the Foreign Trade Policy 2004-09.
9. Registration-cum-Membership Certificate bearing number PLEPC/A/553/2004-2005 dated October 15, 2004 and valid upto March 31, 2009, issued by the Plastic Export Promotion Council, Crystal Tower, ground floor, Gundivali Road No. 3, Off. Sir M.V. Road, Andheri (East), Mumbai-400 069 to our Company.
10. Central Excise Registration Certificate bearing Registration No. AAACA9566CXM001 dated December 26, 2001 issued by the Superintendent of Central Excise, Kalol-IV under Rule 9 of the Central Excise Rules, 2001 to our Company for manufacturing of Excisable Goods for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
11. Central Excise Registration Certificate bearing Registration No. AAACA9566CXD001 dated February 27, 2002 issued by the Superintendent of Central Excise, Kalol-IV under Rule 9 of the Central Excise Rules, 2001 to our Company for dealership of Excisable Goods for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
12. Certificate of Registration bearing No. 24060101750 dated June 19, 2002, issued by the Sales Tax Department, Gujarat under Rule 9 of the Gujarat Sales Rules, 1969 to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
13. Certificate of Registration bearing No. 24560101750 dated December 31, 1998, issued by the Assistant Sales Tax Commissioner, Kalol, Gandhinagar, Gujarat under Rule 5(1) of the Central Sales Tax (Registration and Turnover) Rules, 1957 to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.

14. Licence for working a factory under the Factories Act, 1948 bearing Licence No.13846 dated February 1, 2001, issued by the Chief Superintendent, Factories, Gujarat valid upto December 31, 2008 issued to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
15. Consent Order No. 4727 dated December 1, 2004 issued by the Environmental Engineer, Gujarat Pollution Control Board to our Company under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization under rule 3(c) and 5(5) of the Hazardous Waste (Management and Handling) Rules, 1989 for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat. This consent is valid upto July 31, 2009.
16. No Objection Certificate No. PC/NOC/mh-1453/26890 to set up our Industrial Plant at Block No. 1253, village Santej, Santej-Nasmed Road, District Mehsana for manufacturing of CPVC Pipes and Fittings dated July 30, 1998 by The Gujarat Pollution Control Board to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
17. Letter No. GJ/PFC/AHD/28461/ENF/189 dated January 1, 2001 by the Regional Provident Fund Commissioner allotting Code No. GJ/AHD/28461 to our Company under the provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
18. Certificate of Registration dated June 8, 2006 bearing No. 432/06, granted by the Registering Officer pursuant to section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970 to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
19. Certificate of Registration dated June 8, 2006 bearing No. 85/06, granted by the Registering Officer pursuant to section 12(2) of the Contract Labour (Regulation and Abolition) Act, 1970 to hire the following contractors at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.

Sr. No.	Name of the Contractor	Issuing Authority	Work Force Permitted	Validity
1.	K.B. Mehta Constructions Private Limited	Registering Officer, Mehsana	Not more than 25 contract labourers	June 1, 2006 to March 31, 2007
2.	Munnasingh Bhadoria	Registering Officer, Mehsana	Not more than 9 contract labourers	June 1, 2006 to March 31, 2007
3.	Swastik Labour Contractors	Registering Officer, Mehsana	Not more than 9 contract labourers	June 1, 2006 to March 31, 2007

20. Certificate of Registration under Section 5(1) of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 bearing No. PR0601000013 dated January 6, 2004 issued by the Profession Tax Officer, Kalol, Gujarat to our Company for our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
21. Letter dated March 24, 1999, from the Executive Engineer (O&M), Gujarat Electricity Board granting consent to our Company for installation of DG Sets of 160 KVA capacity at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
22. Certificate dated June 27, 2005, bearing No. EIA/CERT/3118/04-05 issued by the Office of the Electrical Inspector, Ahmedabad, for installation of DG Sets of 250 KVA capacity and granting permission to energise the same as required under Rule 47A of the Indian Electricity Rules, 19, at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.
23. Acknowledgement in Form No.17 bearing number DIC/GAN/EM-2/2006/3623 issued by the General Manager, District Industries Centre, Gandhinagar, Gujarat, issued to our Company acknowledging our Company's application in Part B for registration as Medium Scale Industry for manufacturing of CPVC/PVC pipes and fittings at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.

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24. Certificate of Registration of Establishment under the Bombay Shops and Commercial Establishments Act bearing Registration No. PS-11/013272 dated September 13, 2006 issued by the Inspector under the Bombay Shops and Establishment Act, 1948 for our sales office at Unit No. 138, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai-400 063.
25. Certificate of Registration of Establishment under the Karnataka Shops and Commercial Establishments Act, 1961 bearing Registration No. 16/25/VASAM/0299/2004 dated September 21, 2004 issued by the Office of the Inspector, Government of Karnataka Department of Labour to our Company's depot at 79/2, 8/Cross, Shankarappa Garden, Magadi Road, Corporation Division No. 21, Bangalore, Karnataka.
26. Certificate of Registration bearing Profession Tax Number 735/04/05 dated June 21, 2004 issued under the Karnataka State Tax on Professions, Trades, Callings and Employments Act for our Company's depot at 79/2, 8/Cross, Shankarappa Garden, Magadi Road, Corporation Division No. 21, Bangalore, Karnataka.
27. Certificate of Registration bearing No. 73566070 dated June 22, 2004, issued by the Central Sales Tax Office, Karnataka for our Company's Depot at 79/2, 8/Cross, Shankarappa Garden, Magadi Road, Corporation Division No. 21, Bangalore, Karnataka.
28. Certificate for Provisional VAT Registration issued by the Commercial Taxes Department bearing KST No. 73516077 for our Company's depot at 79/2, 8/Cross, Shankarappa Garden, Magadi Road, Corporation Division No. 21, Bangalore, Karnataka.
29. Certificate of Registration bearing No. 73516077 issued by the Karnataka Sales Tax Office dated June 22, 2004 for our Company's Depot at 79/2, 8/Cross, Shankarappa Garden, Magadi Road, Corporation Division No. 21, Bangalore, Karnataka.
30. Licence for working a factory under the Factories Act, 1948 bearing No. 9-28/05(Fac) Lab dated November, 2005 issued by the Chief Inspector of Factories, Himachal Pradesh to our Company at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh, renewed till December 31, 2006.
31. Certificate from the Fire Department, Solan, Himachal Pradesh dated June 14, 2006 certifying that the fire extinguishers installed at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh are sufficient as per the requirements of the industrial unit and are in working condition.
32. Certificate of Registration bearing No. SOL-III-8666 dated November 24, 2004 issued by the Assessing Authority, Baddi District, Solan, Himachal Pradesh under Rule 6 of Himachal Pradesh General Sales Tax Rules, 1970 to our Company at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
33. Certificate of Registration bearing No. SOL-CST-8520 dated November 24, 2004 issued by the Assessing Authority, Baddi District, Solan, Himachal Pradesh under Rule 7(1)/7(2) of Central Sales Tax Act, 1956 to our Company at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
34. Declaration bearing number ASTRAL/EXCISEDEC/27/2006 dated February 22, 2006 filed by our Company under Notification 50/2003 dated June 10, 2003 as amended by Notification No. 76/2003 dated November 5, 2003 for manufacturing of new item i.e. CPVC/PVC Pipes from March 1, 2006 to the Assistant Commissioner of Central Excise, Shimla division, Panthgahati, Kasumpti, Shimla at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
35. Declaration dated January 4, 2005 filed by our Company under Notifications 50/2003 dated June 10, 2003 as amended by Notification No. 76/2003 dated November 5, 2003 to the Assistant Commissioner of Central Excise, Shimla division, Panthgahati, Kasumpti, Shimla for manufacturing of CPVC/PVC fittings at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
36. Letter bearing number IV(16)STC/2005 dated February 26, 2005 by the Superintendent, Central Excise Division, Shimla (H.P.) allotting service tax code number AAACA9566CST001 to our Company for payment of service tax for transport of goods by road for our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.

37. Letter No.HP-3918/CON/ENG/21889 dated March 31, 2005, by the Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Shimla (Himachal Pradesh) allotting code No. HP-3918 issued to our Company under the provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 for our Company's factory premises situated at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
38. Letter No HP/14/43117/98/461 dated June 16, 2005 from the Deputy Director, Regional Office, Employee State Insurance Corporation, Himachal Pradesh allotting Code No. HP/14/43117/98 issued to our Company under the provisions of the Employees' State Insurance Act, 1948.
39. Letter No. HPSEB/CE/(Comm)/PC-DGS(XVI)/2004-9890-96 dated December 6, 2004, granting permission to install DG Sets of 320 KVA capacity issued by Chief Engineer (Comm), Himachal Pradesh State Electricity Board, Vidyut Bhavan, Shimla - 171 004, at our Company's factory premises situated at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
40. Letter No. HPSEB/CE/(Comm)/PC-DGS(XVI)/2006-5797-5803 dated July 24, 2006 granting permission to install DG Sets of 380 KVA capacity issued by Chief Engineer (Comm), Himachal Pradesh State Electricity Board, Vidyut Bhavan, Shimla - 171 004, at our Company's factory premises situated at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
41. Letter No. I & B.DEV.F(34) REGN.(L & M) - 587 /2004 received on August 25, 2005 from the Director of Industries, Shimla -I, Himachal Pradesh for revision of Provisional Registration No.02/09/493/REGN (L & M) dated October 19, 2004, as L & M unit for manufacturing of CPVC / PVC pipes and fittings at our Company's factory premises situated at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh.
42. No Objection letter No. PCB(471)Astral Poly Tech/2004/5132-36 dated December 6, 2004 issued by the H.P. State Environment Protection and Pollution Control Board to our Company at our Company's factory premises at village Bated, District Solan, Tehsil Kasauli, Himachal Pradesh granting conditional no objection for setting up the factory unit.

Licenses Applied For But Not Received

1. Letter Nos. APPL/HPPCB/32/05-06 dated March 11, 2006 and APPL/HPPCB/12/2006 dated March 30, 2006 from our Company addressed to the Environmental Engineer, HPSEP and PCB, Baddi applying for renewal of consent to operate for further five years from March 31, 2006.

Intellectual Property

The status of the various trademarks applied for and registered in the name of our Company is as follows:

Name	Registration No.	Class	Date of Application	Whether registered and date of registration	Status
ASTRAL-CPVC	1106203	17	May 22, 2002	June 20, 2005	Registered
ASTRAL CPVC Lifetime Plumbing Solutions	N.A.	19	October 3, 2005	N.A.	Application advertised before acceptance
Aquarius STANDARDS REDEFINED	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
WASTE MASTER	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
FIREGUARD	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
ECOGUARD	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
ECOSAFE	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited

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Name	Registration No.	Class	Date of Application	Whether registered and date of registration	Status
BIOSAFE	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
SANIGUARD	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
CORROGUARD	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
FIREMASTER	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
BIOGUARD	N.A.	19	August 14, 2006	N.A.	Applied and hearing awaited
ASTRAL Aquatek HIGH IMPACT ABS PIPING SYSTEMS	N.A.	19	November 15, 2006	N.A.	Applied and hearing awaited
ASTRAL <i>where INNOVATION flows</i>	N.A.	19	November 15, 2006	N.A.	Applied and hearing awaited
ASTRAL UNDER GROUND DRAINAGE SYSTEMS	N.A.	19	November 15, 2006	N.A.	Applied and hearing awaited

Approvals arising out of Objects of the Issue :

We will require the following significant approvals in respect of the Objects of the Issue :

1. No Objection Certificate from local governing authorities of Himachal Pradesh for construction of factory building on land to be acquired.
2. Factory License for setting up factory on land acquired/ to be acquired at Himachal Pradesh.
3. Consent from Chief Engineer (Comm), Himachal Pradesh State Electricity Board, Vidyut Bhavan, Shimla - 171 004, to install additional DG Sets at factory premises.
4. No Objection letter from the H.P. State Environment Protection and Pollution Control Board granting consent to our Company for setting up the factory unit.
5. Consent from the Executive Engineer (O&M), Gujarat Electricity Board to our Company for installation of additional DG Sets at our Company's factory premises situated at Santej, Taluka: Kalol, District Gandhinagar, Gujarat.

In addition to the above, any further approvals, if applicable, due to any changes/amendments to existing laws or regulations, governing our units situated at Gujarat and Himachal Pradesh, will also have to be obtained.

Presently, we have neither applied nor obtained any Government approvals arising out of our Objects of the Issue.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors have, pursuant to a resolution passed at its meeting held on September 04, 2006, authorized the Issue, subject to the approval of the shareholders of our Company under Section 81 (1A) of the Companies Act, 1956.

Our shareholders have authorized the Issue by a special resolution adopted pursuant to Section 81 (1A) of the Companies Act, 1956, passed at the Extraordinary General Meeting held on September 29, 2006.

Prohibition by SEBI

Our Company, our Directors, our Promoters, the Directors or person(s) in control of our Promoters, Promoter Group, the group companies, companies promoted by our Promoters and the person(s) in control of companies promoted by our Promoters, and companies or entities with which our Company's Directors are associated as directors or promoters have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. The listing of any securities of our Company has never been refused at anytime by any of the stock exchanges in India.

Our Company, our Promoters, their relatives, group companies and associate companies have confirmed that they have not been detained as willful defaulters by RBI or any other governmental authorities and there are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Clause 2.2.1 of the SEBI Guidelines as explained under, with the eligibility criteria calculated in accordance with unconsolidated financial statements under Indian GAAP:

1. Our Company has net tangible assets of at least Rs. 300 Lacs in each of the preceding three full years of which not more than 50% is held in monetary assets and is compliant with Clause 2.2.1(a) of the SEBI Guidelines;
2. Our Company has a track record of distributable profits in accordance with Section 205 of Companies Act, for at least three of the immediately preceding five years and is compliant with Clause 2.2.1(b) of the SEBI Guidelines;
3. Our Company has a net worth of at least Rs. 100 Lacs in each of the three preceding full years and is compliant with Clause 2.2.1(c) of the SEBI Guidelines;
4. The aggregate of the proposed Issue size and all previous issues made in the same financial year in terms of size (i.e. offer through the offer document + firm allotment + promoter's contribution through the offer document) is not expected to exceed five times the pre-Issue net worth of our Company as per the audited balance sheet of the last financial year and is compliant with Clause 2.2.1(e) of the SEBI Guidelines;
5. There has been no change in the name of our Company in the last one year, except for conversion of status from private limited company to public limited company under the Companies Act, 1956. The change of name does not suggest any new line of business.

Our net tangible assets, monetary assets, net profits (as restated) and networth (as restated) as derived from the financial statements (restated), as per Indian GAAP and included in the Prospectus under the section titled "Financial Statements", as at, and for the last five years ended March 31, 2006 is set forth below:

(Rs. in Lacs)

Particulars	Year ended March 31, 2002	Year ended March 31, 2003	Year ended March 31, 2004	Year ended March 31, 2005	Year ended March 31, 2006
Distributable Profits ⁽¹⁾	(133.96)	113.84	272.41	223.22	380.90
Net worth, as restated ⁽²⁾	14.57	238.61	533.54	771.35	1682.09
Net tangible assets ⁽³⁾	915.31	1343.01	1894.01	2708.63	4593.47
Monetary assets ⁽⁴⁾	15.24	66.67	15.25	11.54	124.69
Monetary Assets as a %age of Net Tangible Assets	1.67%	4.96%	0.81%	0.43%	2.71%

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- ⁽¹⁾ Distributable Profits have been defined in terms of Section 205 of the Companies Act, 1956;
- ⁽²⁾ Net worth has been defined as the aggregate of value of the paid up equity share capital and free reserves, (excluding reserves created out of revaluation) reduced by the aggregate value of accumulated losses and deferred expenditure not written off (including miscellaneous expenses not written off), as per the audited Balance Sheet;
- ⁽³⁾ Net tangible assets is defined as the sum of fixed assets (including capital work in progress and capital advances and excluding revaluation reserves), investments, current assets (excluding deferred tax assets) less current liabilities and short term liabilities;
- ⁽⁴⁾ Monetary assets include cash on hand and bank balances and investments.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER, KARVY INVESTOR SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURES AND INVESTOR PROTECTION) GUIDELINES, 2000, 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 COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, KARVY INVESTOR SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED November 24, 2006 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

- "(I) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- (II) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, IT'S DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY.**

WE CONFIRM THAT:

- (A) THE DRAFT PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- (B) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE;**
- (III) BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID;**
- (IV) WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

- (V) **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF ITS SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS"**

ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING THE DRAFT PROSPECTUS WITH THE ROC IN TERMS OF SECTION 63, SECTION 60 OF THE COMPANIES ACT.

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

Disclaimer Statement from the Company and the LM

Our Company, our Directors, the LM 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.

Our Company, our Directors and the LM accept no responsibility for statements made otherwise than in the Prospectus or in the advertisements or any other material issued by our Company of the above mentioned entities and anyone placing reliance on any other source of information, including our website, www.astralcpvc.com would be doing so at his/her own risk.

The LM accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the LM and the Company.

All information shall be made available by the LM and the Company to the public and investors at large and no selective or additional information would be available only to a section of the investors in any manner whatsoever, including road show presentation, in research or sales reports, at collection centers or elsewhere.

Disclaimer in Respect of Jurisdiction

The Issue is being 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 SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies, pension funds and to permitted non-residents, including NRIs, FIIs and other eligible foreign investors (viz. Foreign Venture Capital Funds registered with SEBI, Multilateral and Bilateral Development Financial Institutions). The Prospectus does not, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself/ herself about and to observe any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad, Gujarat only.

No action has been or will be taken to permit a public issuing in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus has been filed with SEBI for observations. Accordingly, the Equity Shares represented thereby may not be issued 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 the Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

ASTRAL POLY TECHNIK LIMITED

Disclaimer Clause of the Bombay Stock Exchange Limited

Bombay Stock Exchange Limited ("the Exchange") has given vide its letter dated December 14, 2006 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange 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 the Exchange ; 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 the Exchange. 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 the Exchange 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 Clause of the National Stock Exchange of India Limited

As required, a copy of the Offer document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref: NSE/LIST/37054-5 dated January 12, 2007 permission to the Issuer to use the Exchange's name in this offer document as one of the stock exchanges on which the Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus; nor does it warrant that the Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Issuer, its Promoters, its management or any scheme or project of the Issuer.

Every person who desires to apply for or otherwise acquires any securities of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 any other reason whatsoever.

Filing

A copy of the Prospectus alongwith all requisite documents as required to be filed under Section 60 of the Companies Act has been delivered for registration with the RoC, Gujarat situated at ROC Bhavan, Opp. Rupal Park Society, Near Ankur Bus Stop, Naranpura, Ahmedabad - 380 013. A copy of the Draft Prospectus has been filed with the Corporation Finance Department of SEBI at SEBI Bhawan, Bandra-Kurla Complex, Bandra, Mumbai.

Listing

Applications have been made to the BSE and the NSE for permission to list the Equity Shares and for permission to deal in and for an official quotation of our Equity Shares. We have received in principle approval from BSE and NSE, for the listing of our Equity Shares, vide their letters dated December 14, 2006 and January 12, 2007 respectively. The Bombay Stock Exchange Limited shall be the Designated Stock Exchange.

If the permission to deal in and for an official quotation of our Equity Shares is not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e. from the date of refusal or within 70 days from the Issue Closing Date, whichever is earlier), then the 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, as prescribed under Section 73 of the Companies Act.

We shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within seven working days of finalization and adoption of the Basis of Allotment for the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,**

shall be punishable with imprisonment for a term which may extend to five years".

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Auditors, Bankers to the Company and the Bankers to the Issue; and (b) Lead Manager to the Issue, Registrar to the Issue and Legal advisors to the Issue, to act in their respective capacities, have been obtained and have been filed along with a copy of the Prospectus with the Registrar of Companies, Gujarat, Ahmedabad, and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

N.Gamadia & Co., Chartered Accountants, our Statutory Auditors, have given their written consent to the inclusion of their report in the form and content in which it appears in the Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Prospectus for registration with RoC.

N.Gamadia & Co., Chartered Accountants, have given their written consent to the tax benefits accruing to our Company and its members in the form and context in which it appears in the Prospectus and such consent has not been withdrawn up to the time of delivery of the Prospectus for registration with RoC.

Expert Opinion

We have not obtained any expert opinions, except for the Statement of Tax Benefits obtained from the Statutory Auditors.

Expenses of the Issue

The expenses of the Issue include among others, brokerage, management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated Issue expenses are as follows:

(Amount in Lacs)			
Particulars	Amount	As a % of the Issue size	As a % of the total issue expenses
Management fees and brokerage*	107.62	3.15	34.98
Marketing and advertisement expenses*	50.00	1.46	16.25
Stationery, printing and registrar expenses*	85.00	2.49	27.63
Others (including Registrar's fees, legal fees, fees for auditors and bankers to the issue, stamp duty, initial listing fees and annual listing fees, SEBI filing fees, other statutory fees, depository fees, and other related expenses)*	45.00	1.32	14.63
Contingencies	20.00	0.59	6.50
Total	307.62	9.00	100.00

*These are estimated expenses and the final expenses will be based on actuals.

ASTRAL POLY TECHNIK LIMITED

Fees payable to the Lead Managers

The total fees payable to the Lead Managers for the Issue will be as stated in the Engagement Letter executed between the Company and the LM dated May 27, 2006, 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 Registrars to the Issue will be as per the Memorandum of Understanding dated November 11, 2006, a copy of which is available for inspection at our Registered Office.

Adequate funds will be provided to the Registrar to the Issue to enable them to send the refund orders or allotment advice by registered post/speed post/under certificate of posting.

Underwriting Commission or Brokerage and selling commission

The Issue is not being underwritten and therefore no Underwriting Commission is payable.

Brokerage for the Issue will be paid not more than 1.5% of the Issue Price of the Equity Shares by the company on the basis of the allotments made against the applications bearing the stamp of a member of any recognized Stock Exchange in India in the 'Broker' column. Brokerage at the same rate will also be payable to the Bankers to the Issue in respect of the allotments made against applications procured by them provided the respective forms of application bear their respective stamp in the Broker column. In case of tampering or over-stamping of Brokers'/Agents' codes on the application form, the Company's decision to pay brokerage in this respect will be final and no further correspondence will be entertained in this matter. We, at our sole discretion, may consider payment of additional incentive in the form of kitty or otherwise to the performing brokers on such terms and mode as may be decided by us.

Previous Rights and Public Issue, if any in the last five years

This is our first public issue and we have not made any previous rights or public issues since inception.

Previous Issue of shares otherwise than for Cash

Except as stated in the chapter titled "Capital Structure" under section titled "Introduction" beginning on page 10 of the Prospectus, we have not issued any Equity Shares for consideration otherwise than for cash.

Commission and brokerage on previous issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Particulars in regard to the Issuer company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 which have made any capital issue during the last three years

This is our first public issue and there are no listed companies under the same management as per provision of Section 370(1B) of the Companies Act, 1956.

Promise versus Performance - Previous Issues of Promoter Group Companies

Our Company

Our Company has not made any public issues.

Promoter Group companies

None of our Promoter Group companies have made any public issues.

Outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company, outstanding as on the date of the Prospectus and terms of issue

Our Company has no outstanding debentures or bonds and redeemable preference shares and other instruments as on the date of filing the Prospectus.

Stock Market data for our Equity Shares

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any Stock Exchange.

Mechanism evolved for redressal of Investor Grievances

The Memorandum of Understanding between the Registrar to the Issue and us will provide for retention of records with the Registrar to the Issue for a period of at least six months from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, bank, branch or collection center where the application was submitted.

Disposal of Investor Grievances by the Company

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be seven working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Lokesh Dave as the Compliance Officer and he may be contacted at:

Astral Poly Technik Limited

901, Parshwa Tower,
Opp. Rajpath Club,
Sarkhej-Gandhinagar Highway,
Ahmedabad- 380 054, India.
Tel. : +91-79- 3011 2100;
Fax : +91-79- 2687 2214;
E -mail : investor@astralcpvc.com

Investors can contact him 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 Equity Shares in the respective beneficiary account or refund orders, etc.

Changes, if any, in the Auditors in the last three years, and reasons, thereof

There have been no changes in the Auditors of our Company in the last three years.

Capitalisation of Reserves or Profits, during the last five years

Our Company has capitalized its reserves twice since inception and the details for the same are as follows:

Sr.No.	Financial Year	Particulars of Capitalisation of Reserves or Profit
1	2005-2006	Rs.323.28 Lacs was capitalized from the General Reserve for issue of 32,32,800 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 5:8
2	2006-2007	Rs.98.35 Lacs was capitalized from the General Reserve for issue of 9,83,554 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 6:1

The two successive bonus issues were made on March 31, 2006 and August 12, 2006 respectively in two different financial years. These bonus issues were made by us in order to increase the equity base of our company based on the recommendation of our banker.

Revaluation of Assets, if any, during the last five years

Our Company has revalued its assets in the past five years, the details of which are as follows:

(Rs. in Lacs)

Year Ended	Particulars of Assets	Book Value	Revalued Cost	Increase/(Decrease) in Cost
March 31, 2005	Land	84.18	205.32	121.14
March 31, 2005	Plant & Machinery	802.51	706.37	(96.14)

SECTION VII : ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Prospectus, Application Form, and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of 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. The Allottees will be entitled to dividend or any other corporate benefits, (including dividend) if any, declared by our Company after the date of allotment of Equity Shares pursuant to the Issue. See the section titled "Main Provisions of the Articles of Association of the Company" beginning on page 196 of the Prospectus for a description of the Articles of Association.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, 1956.

Face Value and Issue Price

The Equity Shares with a face value of Rs.10/- each are being offered in terms of the Prospectus at a price of Rs. 115/- per share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws. The issue price is 11.5 times the face value of the equity shares.

Compliance with SEBI Guidelines

We shall comply with all disclosures 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 Articles of Association of our Company, the equity shareholders shall have the following rights:

- i. Right to receive dividend, if declared;
- ii. Right to attend general meetings and exercise voting power, unless prohibited by law;
- iii. Right to vote on a poll either personally or by proxy;
- iv. Right to receive offer for rights shares and be allotted bonus shares, if announced;
- v. Right to receive surplus on liquidation;
- vi. Right of free transferability; and
- vii. Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, listing Agreements with the Stock Exchanges and Articles of Association of our Company.

For further details on the main provisions of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, refer section titled "Main Provisions of the Articles of Association of the Company" beginning on page 196 of the Prospectus.

Market Lot And Trading Lot

In terms of Section 68B of the Companies Act, 1956, the Equity Shares of the Company shall be allotted only in dematerialized form. In terms of existing SEBI Guidelines, the trading in the Equity Shares of the Company shall only be in dematerialized form for all investors. Since trading of our Equity Shares will be in dematerialized form, the tradable lot

would be one Equity Share. Allotment in the Issue will be only in electronic form in multiples of 1 Equity Share subject to a minimum Allotment of 50 Equity Shares. For details of allotment refer to chapter titled "Issue Procedure" under section titled "Issue Related Information" beginning on page 180 of the Prospectus.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, 1956 the sole or first Applicant, along with other joint Applicant(s), 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 transferred, 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. A nomination shall stand rescinded upon a sale/ transfer/ alienation of the 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 at 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 the provisions of Section 109A of the Companies Act, 1956 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require to change the nomination, they are requested to inform their respective depository participant.

As per the policy of RBI, Overseas Corporate Bodies cannot participate in the Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the U.S. Securities Act, 1933), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold only (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

Minimum Subscription

"If our Company does not receive the minimum subscription of 90% of the Issue amount on the date of closure of the Issue, or if the subscription level falls below 90% after the closure of Issue on account of cheques having being returned unpaid or withdrawal of applications, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest as per Section 73 of the Companies Act, 1956."

Arrangements For Disposal Of Odd Lots

Since the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots is required.

Restrictions, if any, on transfer/transmission of Shares/Debentures and on their Consolidation / Splitting

The restrictions, if any, on the transfer/transmission of our Equity Shares and their consolidation / splitting are contained in the sections titled "Main provisions of Articles of Association of the Company" beginning on page 196 and in the chapter titled "Capital Structure" under section titled "Introduction" beginning on page 10 of the Prospectus.

ASTRAL POLY TECHNIK LIMITED

ISSUE PROCEDURE

Application Form

Applications must be made only on the prescribed Application Form and should be completed in BLOCK LETTERS in English as per the instructions contained herein and in the Application Form, and are liable to be rejected if not so completed. The prescribed application forms will have the following colours:

Category	Colour of Application Form
Indian public, NRIs applying on a non-repatriation basis	White
Non-residents including Eligible NRIs, FIIs, Foreign Venture Capital Funds registered with SEBI, Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Eligible Employees of the Company	Pink

Who can apply :

Applications can be made by:

1. Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians, in single or joint names (not more than three);
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 authorised to invest in the Equity Shares;
4. Indian Mutual Funds registered with SEBI;
5. Indian Financial Institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI and SEBI regulations, if any);
6. Venture Capital Funds registered with SEBI;
7. Foreign Venture Capital investors registered with SEBI;
8. State Industrial Development Corporations;
9. Insurance companies registered with the Insurance Regulatory and Development Authority;
10. Provident funds with minimum corpus of Rs. 2500 Lacs and who are authorized under their constitution to hold and invest in Equity Shares;
11. Pension funds with minimum corpus of Rs. 2500 Lacs and who are authorized under their constitution to hold and invest in Equity Shares;
12. Trusts/ Societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorized under their constitution to hold and invest in the Equity Shares;
13. Eligible Employees;
14. NRIs on a repatriation basis or non-repatriation basis subject to applicable laws;
15. FIIs registered with SEBI;
16. Scientific and/ or Industrial Research Organizations authorized to invest in Equity Shares;

17. Foreign Institutional Investors (FIIs) on repatriation basis;
18. Multilateral and bilateral development financial institutions; and
19. Pursuant to the existing regulations, OCBs are not eligible to participate in the Issue.

Note: The LM shall not be entitled to subscribe to the Issue in any manner. However, associates and affiliates of the LM, may subscribe for Equity Shares in the Issue, where the allotment is on a proportionate basis.

The information below is given for the benefit of the investors. The Company and the LM are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Investors are advised to ensure that Equity Shares applied for under any single application form, from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Minimum and Maximum Application Size

Applications should be for minimum of 50 Equity Shares and in multiples of 50 Equity Shares thereafter. In case of applications under the Employee Reservation Portion, a single applicant under this category can make an application for a number of Equity Shares, which exceeds the reservation. An applicant in the Net Issue to the Public category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Option to Subscribe in the Issue

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only. However the investor shall have the option to hold the Equity shares in physical form or demat form. After the allotment in the proposed issue, allottees may request their respective Depository Participant for rematerialisation of shares if they wish to hold the shares in physical shares.

Availability of Prospectus and Application Forms

The memorandum Form 2A 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, the Lead Manager to the Issue, the Registrar to the Issue, and at the collection centers of the Bankers to the Issue as mentioned on the application form.

NRIs/FIIs can obtain the Application Form from the Registered Office of our Company as well as from the office of the Lead Manager.

Application by Mutual Funds/ Scheduled Banks/Indian and Multilateral Development Financial Institutions

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. These limits would have to be adhered to by the mutual funds for investment in the Equity Shares. 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.

Scheduled Banks and Indian and Multilateral Development Financial Institutions can apply in this public issue based upon their own investment limits and approvals.

Application by NRIs

NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for allotment on repatriable basis. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (white in colour).

Applications by NRIs for an amount of not more than Rs. 100,000/- would be considered under the Retail Portion for the purposes of allotment.

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Application by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The allotment of Equity Shares to a single FII should not exceed 10% of the post-issue paid-up capital of the Company. In respect of an FII investing in Equity Shares of the Company 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.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals, in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended, an FII or its sub account 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 or sub account shall also ensure that no further downstream issue or transfer of any instrument referred to herein above is made to any other person other than a regulated entity.

Application 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 Funds) Regulations, 1996 and SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, 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 upto 33.33% of the investable funds by way of subscription to an initial public offer.

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 happen after the date of the 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, and our Company and the LM shall on no grounds whatsoever be liable for or responsible for any breach of applicable regulations by any investor or category of investors.

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, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. 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, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

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, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made by provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds 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 lodged along 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 therefor.

In case of Applications made by Mutual Fund registered with SEBI, venture capital fund registered with SEBI and foreign venture capital investor registered with SEBI, a certified copy of their SEBI registration certificate must be submitted 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.

Our 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 our Company and the LM may deem fit.

Instructions for Applications by Eligible Employees:

Reservation on competitive basis has been made in the Issue for Eligible Employees. Eligible Employees are defined to mean:

- a. A permanent employee of our Company working in India or out of India; or
- b. A Director of our Company, whether a whole time director, part time Director or otherwise;

For the purpose of the Employee Reservation Portion, Eligible Employees should be:

- (i) Employees (as defined hereinabove) as on the date of filing the Prospectus with the RoC; and
- (ii) Indian Nationals, based in India and should be physically present in India on the date of submission of the Application Form.

Reservation on competitive basis shall mean reservation wherein allotment of Equity Shares is made in proportion to the Equity Shares applied for.

1. The Applications should be submitted on the prescribed Application Form (pink in colour) and completed in Full in BLOCK LETTERS in English, except signature(s) in accordance with the instructions contained herein and in the Application Form and is liable to be rejected if not so made.
2. The Application should be for a minimum of 50 Equity Shares and in multiples of 50 shares thereafter.
3. In single name or joint names (not more than three). However, the First Applicant should be permanent/regular employee of the Company.
4. A single applicant in the Employee Reservation Portion can make an application for a number of shares that are being issued to Eligible Employees in terms of the Issue. Payment should be made in cash or by cheque/Bank Draft drawn on any bank (including a Co-operative Bank) which is situated at and is a Member or Sub-member of the Banker's Clearing House located at the place where the application is submitted.
5. A separate cheque or Bank draft shall 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. Money Orders/Postal Orders will not be accepted.
6. All Cheques or Bank Drafts must be payable in the favour of "_____ Bank A/c.Astral- Public Issue - Employees" and crossed "Account Payee Only".
7. All application Forms duly completed together with cash/ cheque/bank draft for the amount payable on application must be delivered before the closing of the subscription list to any of the Bankers to the Issue named herein or to any of their branches mentioned on the reverse of Application Form and NOT to the Company or to the Lead Managers to the Issue or to the Registrars to the Issue.
8. No receipt will be issued for the application money. However, Bankers to the Issue and/or their branches receiving the applications will acknowledge receipt by stamping and returning acknowledgment slip at the bottom of each application form.
9. All Cheques/Bank Drafts accompanying the application form should contain the Application Form Number on the reverse of the instrument.

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10. The applicant should fill in the details of his/her bank account in the space provided in the application form failing which the application is liable to be rejected.
11. Applicants residing at places where 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 only payable to "_____Bank A/c. Astral-Public Issue - Employees" to Registrar to the Issue.
12. Application by Eligible Employees can also be made in the "Net Issue to the Public" Portion and such Applications shall not be treated as multiple Applications.
13. Undersubscription in the Employee Reservation Portion may be added back to any other category/categories, at the sole discretion of the LM and the Company.

Instructions for Applications By NRIs/FIIs (on a Repatriation Basis):

1. Allotment/transfer of the Equity Shares to NRIs/FIIs shall be subject to prevailing RBI 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.
2. In case of application by NRIs on repatriation basis, the payments must be made through Indian rupee drafts purchased abroad or cheques or banks, for the amount payable on application remitted through normal banking channels or out of funds held in the 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) Accounts of Non-Resident Subscribers applying on a repatriation basis. Payment by bank drafts should be accompanied by Bank Certificate confirming that the bank draft has been issued by debiting to NRE or FCNR account.
3. In case of application by FIIs on repatriation basis, the payments must be made out of funds held in Special Non Resident Rupee account, along with documentary evidence in support of the remittance like FIRC, bank certificate etc. from the authorized dealer. Payment by bank draft should be accompanied by a Bank Certificate confirming that the bank draft has been issued by debiting to Special Non Resident Rupee account.
4. Duly filled Application Forms by NRIs / FIIs will be accepted at designated branches of the Bankers to the Issue as mentioned in the application form.
5. Refunds/ dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges/ commission. In case of applicants who remit their application money from funds held in NRE/FCNR accounts, such payments shall be credited to their respective NRE/FCNR accounts (details of which shall be furnished in the space provided for this purpose in the Application Form), under intimation to them. In case of applicants who remit their money through Indian Rupee Drafts from 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/FCNR accounts, details of which are to 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 into Indian Rupees and vice versa.
6. Applicants in this category may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for allotment on repatriable basis. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the blue coloured forms meant for applications on repatriable basis.
7. Our Company does not require approvals from FIPB or RBI for the transfer of Equity Shares in the Issue to eligible NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions. As per the RBI regulations, OCBs are not permitted to participate in the Issue.
8. 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 allotment.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act ") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons "(as defined in Regulation S of 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 may be offered and sold only (i) in the United States to "qualified institutional buyers ", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

Terms of Payment

The entire Issue Price of Rs. 115/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, our Company shall refund the excess amount paid on application to the Applicants.

Filing of the Prospectus with the RoC

A copy of the Prospectus has been filed with the Registrar of Companies, Gujarat in terms of Section 56, Section 60 of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall after receiving final observations, if any, on the Prospectus from SEBI, publish an advertisement, in the form prescribed by the SEBI (DIP) Guidelines in an English national daily with wide circulation, one Hindi National newspaper and a regional language newspaper with wide circulation at Ahmedabad.

General Instructions for Applicants

1. Thumb impressions and signatures other than in English/ Hindi /Gujarati or any other language specified in the Eighth Schedule to the Constitution of India, must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under his/ her official seal.
- 2 **Bank Account Details of Applicant**
IT IS MANDATORY FOR ALL THE APPLICANTS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL APPLICANTS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM.
3. Investors should note that on the basis of name of the Applicant, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository demographic details of the Investors such as address, bank account details for printing on refund orders or give credit through ECS and occupation (hereinafter referred to as "Demographic Details"). Hence, Investors 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 refund orders/ECS credit for refunds/allotment advice and printing of Company particulars on the refund order and the Demographic Details given by the Applicants in the Application Form would not be used for these purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.
4. By signing the Application Form, the Applicant would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.
5. Applicants should write their names and application serial number on the reverse of the instruments by which the payments are being made to avoid misuse of instruments submitted along with the applications for Equity Shares.
6. Applications by NRIs on non-repatriation basis can be made using the Application Form meant for Resident Indians out of the funds held in Non-Resident Ordinary (NRO) Account. The relevant bank certificate must accompany such forms. Such applications will be treated on par with the applications made by the public.

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7. Refund Orders/ECS refunds for credits/Allotment Advice would be mailed at the address of the applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ intimation for ECS refunds of credits /allotment advice 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 nor the Registrar 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 such interest for such delay.
8. The company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the Refund Orders/ECS refunds for credits/Allotment Advice, 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.
9. In case no corresponding record is available with the Depositories, which matches three parameters, namely, name(s) of the Applicant(s) (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.

Payment Instructions

1. 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/ Stockinvest/ Money Orders/ Postal Orders will not be accepted.
2. Outstation cheques or bank drafts, cheques/ drafts drawn on Banks not participating in the "clearing" will not be accepted and applications accompanied with such instruments shall be rejected.
3. A separate cheque/ Bank draft must accompany each Application Form.
4. In case of Applications 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 authorised 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.
5. In case of Applications by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to Special Rupee Account.
6. All cheques / bank drafts accompanying the application should be crossed "A/c Payee Only" and made payable to the Bankers to the Issue and marked:

Category of Application	Cheques / Bank Drafts favouring
Indian Public including NRIs applying on non-repatriation basis	" _____ Bank A/c. Astral- Public Issue"
Eligible Employees	" _____ Bank A/c. Astral - Public Issue - Employees"
NRIs/ FIIs on repatriation basis	" _____ Bank A/c. Astral - Public Issue - NR"

Payment By Stockinvest

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 stockinvest instrument in lieu of cheques or bank drafts for payment of Applied money has been withdrawn. Hence, payment through stockinvest would not be accepted in the Issue.

Submission of Completed Application Forms

All applications duly completed and accompanied by cheques/ bank drafts shall be submitted at the branches of the Bankers to the Issue (listed in the Application Form) before the closure of the Issue. Application(s) should not be sent to the office of our Company or the Lead Manager to the Issue or the Registrars to the Issue.

Applicants residing at places where no collection centers have been opened may submit / mail their applications at their sole risk along with application money due there on by Bank Draft to the Registrar to the Issue, Big Share Services Private Limited, superscribing the envelope "Astral Poly Technik Limited - Public Issue" so as to reach the Registrar on or before the closure of the Subscription List. Such bank drafts should be payable at Mumbai only.

Our Company will not be responsible for postal delays and loss in transit. Our Company will not entertain any claims, damage or loss due to postal delays or loss in transit.

No separate receipts will be issued for the application money. However, the Bankers to the Issue or their approved collecting branches receiving the duly completed application form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each application form.

Applications shall be deemed to have been received by our Company only when submitted to the Bankers to the Issue at their designated branches or on receipt by the Registrar as detailed above and not otherwise.

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, refund, pay orders, dividend warrants, etc. if any, will be in favour of the First Applicant and all communications will be addressed to the First Applicant and at his /her address as stated in the Application Form.

Multiple Applications

An Applicant should submit only one Application Form (and not more than one) for the total number of Equity Shares applied for. Two or more applications in single or joint names will be deemed to be multiple applications if the sole and/or first Applicant is one and the same. Application by Eligible Employees can be made also in the "Net Issue to the Public" and such applications shall not be treated as 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.

Our Company reserves the right to accept or reject, in our absolute discretion, all or any multiple Applications in any or all categories. Unless our Company specifically agrees in writing with or without such terms and conditions it deems fit, a separate cheque/ draft must accompany each Application Form.

PAN/GIR Number

Where application(s) is/are for Rs. 50,000/- or more, the Applicant or in the case of an Application in joint names, each of the Applicants, should mention his/her Permanent Account Number (PAN) allotted under the I.T. Act. The copy of the PAN card or PAN allotment letter is required to be submitted with the Application Form. Applications without this information and documents 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.** In case the Sole/First Applicant and Joint Applicant (s) is/are not required to obtain PAN, each of the Applicant (s) shall mention "Not Applicable" and in the event that the sole Applicant and/or the joint Applicant (s) have applied for PAN which has not yet been allotted, each of the Applicant (s) should Mention "Applied for" in the Application Form. Further, where the Applicant (s) has mentioned "Applied for" or "Not Applicable", the Sole/First Applicant and each of the Joint Applicant (s), as the case may be, would be required to submit Form 60 (Form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified in rule 114B), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income tax in respect of transactions specified in rule 114B), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) Ration Card (b) Passport (c) Driving License

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(d) Identity Card issued by any institution (e) Copy of the electricity bill or telephone bill showing residential address (f) Any document or communication issued by any authority of the Central Government, State Government or local bodies showing residential address (g) Any other documentary evidence in support of address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended vide a notification issued on December 1, 2004 by the Ministry of Finance, Department of Revenue, Central Board of Direct Taxes. All Investors are requested to furnish, where applicable, the revised Form 60 or 61, as the case may be.**

Unique Identification Number-MAPIN

With effect from July 1, 2005, SEBI has decided to suspend all fresh registrations for obtaining Unique Identification Number (UIN) and the requirement to contain/quote UIN under the MAPIN Regulations/ Circulars vide its circular MAPIN/ Cir- 13/ 2005. However, in a press release dated December 30, 2005, SEBI has approved certain policy decisions and has now decided to resume registrations for obtaining UIN's in a phased manner. The press release states that the cut-off limit for obtaining UIN has been raised from the existing limit of trade order value of Rs. 1 Lac to Rs. 5,00,000/- or more. The limit will be reduced progressively. For trade order value of less than Rs. 5,00,000/-, an option will be available to investors to obtain either the PAN or UIN. These changes are, however, not effective as of the date of the Prospectus and SEBI has stated in the press release that the changes will be implemented only after necessary amendments are made to the SEBI MAPIN Regulations.

Right To Reject Applications

In case of all categories of Applicants, we have a right to reject Applications based on technical grounds. Consequent refunds shall be made in the manner as mentioned in the paragraph titled "Mode of Making Refunds" beginning on page 192 of the Prospectus at the Applicant's sole risk.

Grounds For Technical Rejections

Applicants are advised to note that Applications are liable to be rejected, inter alia on the following technical grounds:

- i. Amount paid does not tally with the amount payable for the value of Equity Shares Applied for;
- ii. Age of First Applicant not given;
- iii. In case of partnership firms, Equity Shares may be registered in the names of the individual partner and no firm as such shall be entitled to apply;
- iv. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- v. PAN not stated if Application is for Rs. 50,000/- or more and GIR number given instead of PAN
- vi. Copy of PAN card or PAN allotment letter is not enclosed if the application is for more than Rs.50,000/-.
- vii. Bank account details for refund are not given;
- viii. Applications for number of Equity Shares, which are not in multiples of 50 ;
- ix. Category not ticked;
- x. Multiple Applications as defined in the Prospectus;
- xi. In case of Application under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- xii. Applications accompanied by Stockinvest/money order/postal order/cash;
- xiii. Signature of sole and / or joint Applicant(s) missing;
- xiv. Application Forms does not have Applicant's depository account details;
- xv. Application Forms are not delivered by the applicant within the time prescribed as per the Application Form, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Form;

- xvi. 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 account number;
- xvii. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- xviii. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- xix. Applications by OCBs and
- xx. Applications by U.S. persons other than "Qualified Institutional Buyers" as defined in Rule 144A of the Securities Act of 1933;

Equity Shares In Dematerialised Form With NSDL Or CDSL

As per the provisions of Section 68B of the Companies Act, the allotment of Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two tripartite agreements have been signed between our Company, the Registrar to the Issue and the Depositories:

1. An Agreement dated January 31, 2007 between our Company, NSDL and the Registrar to the Issue; and
2. An Agreement dated January 04, 2007 between our Company, CDSL and the Registrar to the Issue.

All allottees in the Issue can seek allotment only in dematerialised mode. However, an allottee shall have the option to hold the Equity Shares in physical or dematerialized form. After the allotment in the proposed issue, the allottees may request their respective DPs for rematerialisation of shares, if they wish to hold shares in physical form. Applications without relevant details of his or her depository account are liable to be rejected.

- i. An Applicant applying for Equity Shares must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or of CDSL registered with SEBI, prior to making the Application.
- ii. The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification Number) appearing in the Application Form.
- iii. Equity shares allotted to successful Applicants in the electronic account will be credited directly to the beneficiary account (with the Depository Participant).
- iv. Names in the Application 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.
- v. The Registrar to the Issue will directly send non-transferable Allotment Letters/ Refund Orders to the Applicant.
- vi. Application will be liable to be rejected if incomplete or incorrect details are given under the heading(s) pertaining to details to enable allotment in dematerialized form in the Application Form.
- vii. The Applicant is responsible for the correctness of the Applicants Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.
- viii. 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.
- ix. The trading of the Equity Shares of our Company would be in dematerialised form for all investors.

Communications

All future communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicant's 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.

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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.

For further instructions regarding application for the Equity Shares, investors are requested to read the application form carefully.

Disposal of Applications and Application money

We shall give credit of Equity Share allotted to the beneficiary account with Depository Participants within 30 days of the Issue Closing Date. Applicants residing at 15 centres where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS only (subject to availability of all information for crediting the refund through ECS). For further details regarding mode of making refunds, refer paragraph titled "Mode of Making Refunds" beginning on page 192 of the Prospectus.

In case of other applicants, the Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500/- by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500/-, if any, by registered post or speed post, except for Applicants who have opted to receive refunds through the ECS facility.

Applicants to whom refunds are made through Electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 30 days of closure of Issue.

We shall ensure dispatch of refund orders, if any, by "Under Certificate of Posting" or registered post or speed post or ECS, as applicable, only at the sole or First Applicant's sole risk within 30 days of the Issue Closing Date, and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer.

We shall ensure dispatch of allotment advice, refund orders and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the Stock Exchanges within 2 (two) working days of date of Allotment.

We shall use best efforts to 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 7 (seven) working days of the finalization of the basis of allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI DIP Guidelines, our Company further undertakes that:

- i. allotment shall be made only in dematerialised form within 30 (thirty) days of the Issue Closing Date;
- ii. despatch refund orders within 30 (thirty) days of the Issue Closing Date would be ensured; and
- iii. our Company shall pay interest at 15% (fifteen) per annum (for any delay beyond the 30 (thirty) days time period as mentioned above), if allotment is not made and refund orders are not dispatched and/or demat credits are not made to investors within the 30 (thirty) days time prescribed above as per the Guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No. F/8/S/79 dated July 31, 1983, as amended by their letter No. F/14/SE/85 dated September 27, 1985, addressed to the Stock Exchanges, and as further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI DIP Guidelines.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years."

Basis of Allotment

In the event of the present issue of Equity Shares being over-subscribed, the allotment shall be on a proportionate basis and basis of allotment will be finalized in accordance with the SEBI Guidelines and in consultation with designated Stock Exchanges. The Executive Director/Managing Director of the Stock Exchanges along with the Lead Manager and the 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 following guidelines:

Procedure and Time Schedule for Allotment of Equity Shares and Demat Credit of Equity Shares

ISSUE OPENS ON : FEBRUARY 14, 2007 (Wednesday)	ISSUE CLOSES ON : FEBRUARY 22, 2007 (Thursday)
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Our Company, in consultation with the LM, will determine the Issue Price, and the basis of allotment based on the Applications received and subject to the confirmation by the BSE/NSE. SEBI Guidelines require our Company to complete the allotment to successful Applicants within 30 days of closure of the Issue. The Equity Shares will then be credited and allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence. This typically takes three trading days from the date of crediting the investor's demat account, subject to final approval by the Stock Exchanges.

Method of Proportionate Basis of Allotment

Allotment shall be on proportionate basis within the specified categories, rounded off to the nearest integer subject to a minimum allotment being equal to the minimum application size i.e. 50 Equity Shares.

A. For Employee Reservation Portion

1. Applications received under the Employee Reservation Portion shall be grouped together to determine the total allotment under this category.
2. If the aggregate number of Equity Shares applied for in this category is less than or equal to 1,50,000 Equity Shares, full allotment shall be made to the applicants in this category and unsubscribed portion will be added back to any other category/categories, at the sole discretion of the LM and the Company.
3. If the aggregate number of equity shares applied for in this category is more than 1,50,000 Equity Shares, the allotment shall be made on a proportionate basis as explained below under "Net Issue to the Public portion".
4. Only Eligible Employees may apply under the Employee Reservation Portion.

B. For Net Issue to the Public portion

In the event of Issue being over-subscribed, the allotment will be on a proportionate basis subject to minimum allotment being equal to the minimum application size, i.e. 50 Equity Shares as explained below:

1. A minimum 50% of the Net Issue to the Public will be made available for allotment in favour of Retail Individual Investors, that is those individual applicants (including HUF's) who have applied for Equity Shares of or for a value of not more than Rs.100,000/-. This percentage may be increased in consultation with the Designated Stock Exchange depending on the extent of response to the Issue from investors in this category. In case allotments are made to a lesser extent than 50% because of lower subscription in the above category, the balance Equity Shares would be added to any other category/categories and allotment made on a proportionate basis as per relevant SEBI Guidelines. The Executive Director/ Managing Director of the Designated Stock Exchange along with the Lead Manager and the Registrars 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 Guidelines.
2. The balance of the Net Issue to the Public shall be made available to investors including Corporate Bodies/ Institutions and individual Applicants who have applied for allotment of Equity Shares for a value of more than Rs.100,000/-, irrespective of number of Equity Shares applied for.
3. The Unsubscribed portion of the Net Issue to any of the categories specified in (1) or (2) shall be made available for allotment to Applicants in the other category, if so required.
4. Applicants will be categorized according to the number of Equity Shares applied for.

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5. The total number of Equity Shares to be allotted 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 (number of applicants in the category multiplied by the number of shares applied for) multiplied by the inverse of the over subscription ratio.
6. Number of the Equity Shares to be allotted to the successful allottees shall be arrived at on a proportionate basis i.e. total number of shares applied for by each Applicant in that category multiplied by the inverse of the over subscription ratio.
7. All the Application Forms where the proportionate allotment works out to less than 50 Equity Shares per Applicant, the allotment shall be made as follows:
 - i. Each successful Applicant shall be allotted a minimum of 50 Equity Shares; and
 - ii. The successful Applicants out of the total Applicants for that category shall be determined by draw of lots in such a manner that the total number of Equity Shares allotted in that category is equal to the number of shares worked out as per (5) above.
8. If the proportionate allotment to an Applicant works out to a number that is more than 50 Equity Shares but is a fraction, then the fraction equal to or higher than 0.50 shall be rounded off to the next integer and if that fraction is lower than 0.50, the fraction shall be ignored.
9. All Applicants in such categories shall be allotted shares arrived at after such rounding off.
10. If the Equity Shares allotted on a proportionate basis to any category is more than the Equity Shares allotted to the Applicants in that category, the balance available shares for allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate allotment to the successful Applicants in that category.
11. The balance Equity Shares, if any, remaining after such adjustment shall be added to the category comprising applicants applying for minimum number of Equity Shares.
12. The process of rounding off to the nearest integer subject to a minimum allotment being equal to 50 Equity Shares, which is the minimum application size in the Issue, may result in the actual allotment being higher than the shares offered. However, it shall not exceed 10% of the Net Issue to the Public.

Letters of Allotment or Refund Orders

Our Company shall give credit to the Beneficiary account with Depository Participants within two (2) working days of finalisation of the basis of allotment of the Equity Shares. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE and NSE are taken within 7 working days of finalization of the Basis of Allotment for the Issue.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- i. Allotment of Equity Shares, only in dematerialized form, shall be made within 30 days from the Issue Closing Date;
- ii. Dispatch of refund orders shall be done within 30 days from the Issue Closing Date; and
- iii. Our Company shall pay interest at 15% per annum (for any delay beyond the 30 days time period as mentioned above), if refund orders are not dispatched and/or demat credits are not made to investors within the 30 day time period prescribed above.

Mode of making refunds

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 Applicants bank account details including nine digit MICR code. 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 credit of refunds to Applicants at the Applicants sole risk and neither the LM nor the Company shall have any responsibility and undertake any liability for the same.

The payment of refund, if any, would be done through various modes in the following order of preference:

- (a) **ECS:** Payment of refund would be done through ECS for applicants having an account at one of the 15 centres, where clearing houses for ECS are managed by Reserve Bank of India namely 1) Ahmedabad 2) Bangalore 3) Bhubaneswar 4) Kolkata 5) Chandigarh 6) Chennai 7) Guwahati 8) Hyderabad 9) Jaipur 10) Kanpur 11) Mumbai 12) Nagpur 13) New Delhi 14) Patna and 15) Thiruvanthapuram. This would be subject to availability of complete Bank Account Details including MICR code from the depository. The payment of refund through ECS is mandatory for applicants having bank account at any of the 15 centres named herein above, except where applicant is otherwise disclosed as eligible to get refunds through direct credit or RTGS or NEFT.
- (b) **Direct Credit:** Investors having their bank account with the Refund Bank, i.e. Standard Chartered Bank shall be eligible to receive funds, if any, through Direct Credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker.
- (c) **RTGS:** Applicants having a bank account at any of the 15 centres detailed above, and whose Application amount exceeds Rs. 10 Lacs, shall be eligible to exercise the option to receive refunds, if any, through RTGS. All applicants eligible to exercise this option shall mandatorily provide the IFSC code in the Application Form. In the event of failure to provide IFSC code in the Application Form, the refund shall be made through ECS or Direct Credit, if eligibility is disclosed;
- (d) **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.
- (e) For all the other applicants, including applicants who have not updated their bank particulars alongwith the nine digit MICR Code, the refund orders would be dispatched "Under Certificate of Posting" for refund orders of value up to Rs. 1500/- and through Speed Post / Registered Post for refund orders of Rs. 1500/- and above.

Please note that only applicants having a bank account at any of the 15 centres where clearing houses for ECS are managed by RBI are eligible to receive refunds through the modes detailed in (a), (b) and (c) hereinabove.

Interest in case of delay in dispatch of Allotment Letters/Refund Orders in case of Public Issue

Our Company agrees that as far as possible allotment of Equity Shares issued pursuant to the Issue shall be made within 30 days of the closure of the Issue. Our Company further agrees that we shall pay interest at 15% per annum if the allotment letters/refund orders have not been dispatched to the applicants within 30 days from the date of the closure of the Issue.

Undertakings By Our Company

Our Company undertakes as follows:

- a) that the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- b) 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 the basis of allotment;
- c) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed under the heading "Modes of making refunds" beginning on page 192 of the Prospectus, shall be made available to the Registrar to the issue by the Issuer;
- d) that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 30 days of the final transfer date, giving details of the Bank where refunds shall be credited alongwith amount and expected date of electronic credit of refund(s);

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- e) that the refund orders or allotment advice to the successful Applicants shall be despatched within specified time;
- f) that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
- g) that the allotment advice/refund order to the NRIs/FIIs shall be dispatched within the specified time.

We will provide adequate funds required for dispatch of refund orders / electronic transfer of funds for refunds or allotment advice to the Registrar to the Issue.

Utilisation of Issue Proceeds

Our Board of Directors certify that:

- a) 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 73 of the Companies Act;
- b) details of all monies utilised out of Issue referred to sub-item (a) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilised; and
- c) details of all unutilised monies out of the Issue, if any, referred to sub-item (a) shall be disclosed under the appropriate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Board of Directors further certify that:

- 1. the utilisation of monies received under Employee Reservation Portion shall be disclosed under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised.
- 2. the details of all unutilised monies out of the funds received under Employee Reservation shall be disclosed under a separate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested.

The management, in accordance with the policies set up by the Board, will have the flexibility in deploying the proceeds received from the fresh issue. Pending utilization for the objects of the Issue, the same will be held in fixed deposits of scheduled commercial banks.

Rectification of Register of Members

The Company, under Section 111A of the Companies Act will have the right to rectify the register of members to comply with the Companies Act.

Restrictions On Foreign Ownership Of Indian Securities, if any

Foreign investment in Indian securities is regulated through the Industrial Policy of the Government of India notified through press notes and press releases issued from time to time and the FEMA and circulars and notifications issued thereunder. While the policy of the Government 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 of the Government, 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 and reporting requirements for making such investment. As per current foreign investment policies, foreign direct investment in the industries in which our Company operates is allowed upto 100% under the automatic route.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public Issue without prior RBI approval, so long as the price of Equity Shares to be issued is not less than the price at which Equity Shares are issued to residents.

Subscription by NRIs/ FIIs

It is to be distinctly understood that there is no reservation for Non-Residents, NRIs and FIIs and all Non-Residents, NRI and FIIs applicants will be treated on the same basis as other categories for the purpose of allotment.

As per the RBI regulations, OCBs cannot participate in the Issue.

The Equity Shares have not been and will not be registered under the Securities Act, 1933 or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S 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 may be offered and sold (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States to certain persons 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.

As per the current regulations, the following restrictions are applicable for investments by FIIs

The allotment of Equity Shares to a single FII should not exceed 10% of the post-issue paid-up capital of the Company. In respect of an FII investing in Equity Shares of the Company 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.

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 happen after the date of the Prospectus. Investors 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.

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SECTION VIII : MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

Pursuant to the provisions of Schedule II of the Companies Act and the SEBI Guidelines, 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 hereinbelow 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

(i) Preliminary

Title of Article	Article Number and contents
Table "A" not to apply but company to be governed by these Articles	1. The regulations contained in Table "A" in the First Schedule of the Companies Act, 1956 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act, 1956 be such as are contained in these Articles.

(ii) Articles relating to rights of members regarding voting, dividend, lien on shares, process for modification of such rights and forfeiture of shares

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	116. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	117. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	118. Subject to the provisions of Article 116, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.

Title of Article	Article Number and contents
Rights of Members to use votes differently	124. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons 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.
Proxies	125. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	126. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	127. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	128. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	129. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and 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 any officer or attorney duly authorised by it.
Validity of votes given by proxy notwithstanding revocation of authority	130. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.

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Title of Article	Article Number and contents
Time for objection to vote	131. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	132. 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. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	133. If any such instrument of appointment is confined to the object of appointing at attorney or proxy 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 such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	192. (a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares; (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	193. The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	194. No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.
Interim dividend	195. The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.

Title of Article	Article Number and contents
Debts may be deducted	<p>196.</p> <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance as interest not to earn dividend	<p>197.</p> <p>Where the capital is paid in advance of the 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.</p>
Dividends in proportion to amounts paid-up	<p>198.</p> <p>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.</p>
No Member to receive dividend	<p>199.</p> <p>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.</p>
Effect of transfer of Shares	<p>200.</p> <p>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.</p>
Dividend to joint holders	<p>201.</p> <p>Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.</p>
Dividend how remitted	<p>202.</p> <p>The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.</p>

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Title of Article	Article Number and contents
Notice of dividend	<p>203.</p> <p>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.</p>
Reserves	<p>204.</p> <p>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.</p>
Dividend to be paid within time required by law.	<p>205.</p> <p>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <p>(a) where the dividend could not be paid by reason of the operation on any law; or</p> <p>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</p> <p>(c) where there is dispute regarding the right to receive the dividend; or</p> <p>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</p> <p>(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p>
Unclaimed dividend	<p>206.</p> <p>Where the Company has declared a dividend but which has not been paid or claimed within 30 days form 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". Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 205C of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.</p>
Set-off of calls against dividends	<p>207.</p> <p>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and 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.</p>

Title of Article	Article Number and contents
Dividends in cash	208. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	209. (1)The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b)that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or (c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b) (3) A share premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.
Board to give effect	210. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	43. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

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Title of Article	Article Number and contents
Company to have lien on Shares/ Debentures	44. The Company shall have first and paramount lien upon all 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 interests in any Share/ Debenture shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; PROVIDED THAT the Board of Directors may, at any time, declare any Share/ Debenture to be wholly or in part exempt from the provisions of this Article. 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.
As to enforcing lien by sale	45. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:- (a) Unless a sum in respect of which the lien exists is presently payable; or (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members (c) The purchaser shall not be bound to see 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.
Application of proceeds of sale	46. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and (b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	47. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter,

Title of Article	Article Number and contents
Sum payable on allotment to be deemed a call	<p>during such time as the all for installment remains unpaid, give notice to him requiring him to pay the same 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>
Form of notice	<p>48. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.</p> <p>49. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>
In default of payment Shares to be forfeited	<p>50. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.</p>
Notice of forfeiture to a Member	<p>51. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.</p>
Forfeited Shares to be the property of the Company and may be sold etc.	<p>52. Any Share 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 Board of Directors shall think fit.</p>
Member still liable for money owing at the time of forfeiture and interest	<p>53. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.</p>

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Title of Article	Article Number and contents
Effects of forfeiture	<p>54.</p> <p>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.</p>
Power to annul forfeiture	<p>55.</p> <p>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p>
Declaration of forfeiture	<p>56</p> <p>A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	<p>57.</p> <p>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
Cancellation of shares certificates in respect of forfeited Shares	<p>58.</p> <p>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</p>

Title of Article	Article Number and contents
Evidence of forfeiture	<p>59.</p> <p>The declaration as mentioned in Article 56(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p>
Validity of sale	<p>60.</p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers 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 in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
Surrender of Shares	<p>61.</p> <p>The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.</p>

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	<p data-bbox="603 1193 636 1211">10.</p> <p data-bbox="603 1236 1452 1545">Whenever the 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 each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p data-bbox="603 1570 1452 1729">The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.</p>

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(iii) Other provisions of Articles of Association

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The Authorised Share Capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company with powers to increase or reduce the Share Capital and to divide the shares in the capital for the time being into several classe and to attach thereto respectively such preferential, deferential or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate and such rights, privileges of conditions in such manner as may be provided by regulations of the Company and consolidate or subdivide the shares and issue share of higher or lower denomination. By way ordinary resolution.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97of the Act
Non Voting Shares	5. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Reduction of capital	8. The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any share premium account

Title of Article	Article Number and contents
Purchase of own Shares	<p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p> <p>8A.</p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
Sub-division consolidation and cancellation of Shares	<p>9.</p> <p>Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p>

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	<p>11.</p> <p>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.</p>
Shares under control of Directors	<p>13.</p> <p>Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (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 to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>

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Title of Article	Article Number and contents
Power to offer Shares/options to acquire Shares	<p>13A</p> <p>Without prejudice to the generality of the powers of the Board under Article 13 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>In addition to the powers of the Board under Article 13A(i), the Board may also allot the Shares referred to in Article 13A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 13A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 13A(i) and (ii) above.</p>
Power also to Company in General Meeting to issue Shares	<p>15.</p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>
Power of General Meeting to authorize Board to offer Shares/ Options to employees	<p>15A</p> <p>(i) Without prejudice to the generality of the powers of the General Meeting under Article 15 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required)</p>

Title of Article	Article Number and contents
	<p>be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/ Plan/ other writing, as may be set out before it, for the aforesaid purpose</p> <p>(ii) In addition to the powers contained in Article 15A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
The Board may issue Shares as fully paid-up	<p>18.</p> <p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	<p>19.</p> <p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	<p>20.</p> <p>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as 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.</p>
Liability of Members	<p>21.</p> <p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.</p>
Dematerialisation of securities	<p>21.(A)</p> <p>Definitions</p> <p>Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository.</p> <p>SEBI "SEBI" means the Securities and Exchange Board of India.</p> <p>Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p>

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Title of Article	Article Number and contents
<p>Dematerialisation of securities</p> <p>Options to receive Security certificates or hold securities with depository</p> <p>Securities in depositories to be in fungible form</p> <p>Rights of depositories and beneficial owners</p>	<p>Depositories Act. "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations "Regulations" mean the regulations made by SEBI;</p> <p>Security "Security" means such security as may be specified by SEBI.</p> <p>21.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p> <p>21.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security.</p> <p>21.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.</p> <p>21.(E) (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.</p>

Title of Article	Article Number and contents
Depository To Furnish Information	<p>21.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p>
Option to Opt out in respect of any security	<p>21.(G) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p>
Sections 83 and 108 of the Act not to apply	<p>21.(H) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.</p>
Share certificate	<p>22. (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.</p>
Limitation of time for issue of certificates	<p>22A. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors may 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 Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holders.</p>

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Title of Article	Article Number and contents
New certificate to be granted on delivery of the old certificates	<p>24.</p> <p>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 is 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 the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe.</p> <p>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. No unclaimed or unpaid dividend shall be forfeited by the Board.</p> <p>The provision of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	<p>25.</p> <p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Trust recognized	<p>27.</p> <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	<p>30.</p> <p>Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company, so that the commission shall not exceed in</p>

Title of Article	Article Number and contents
Brokerage	the case of the 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 debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Commission to be included in the annual return	31. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful. 32. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

Title of Article	Article Number and contents
Interest out of capital	33. Where any Shares 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 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 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 the plant.

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	34. (a) 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. (b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act. (c) 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. (d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act. (e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months

ASTRAL POLY TECHNIK LIMITED

Title of Article	Article Number and contents
	<p>after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p>

CALLS

Title of Article	Article Number and contents
Directors may make calls	<p>35.</p> <p>(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Evidence in action by Company against share holder	<p>41.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his 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 is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>
Payment in anticipation of calls may carry interest	<p>42.</p> <p>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 moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in</p>

Title of Article	Article Number and contents
	<p>advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as 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 dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members 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>

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	62.
Execution of transfer	<p>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.</p> <p>65.</p> <p>The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.</p>
Directors may refuse to register transfer	<p>68.</p> <p>Subject to the provisions of Section 111A these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.</p>
Death of one or more joint holders of Shares	<p>69.</p> <p>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.</p>

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Title of Article	Article Number and contents
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	<p>72.</p> <p>Subject to the provisions of the Act and Article 69 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it 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 title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".</p>
Refusal to register nominee	<p>73.</p> <p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>
No fees on transfer or transmissions	<p>75.</p> <p>No fee shall be charged for registration of transfer, transmission Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar documents.</p>
Company not liable for disregard of a notice prohibiting registration of transfer	<p>77.</p> <p>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, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to 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 to do so, 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 Board shall so think fit.</p>
<p>Pre-emptive Rights</p> <p>Notwithstanding anything contained in these Articles and subject to the necessary statutory compliances:</p>	<p>77A</p> <p>i. in case of transfer of shares by any of the Foreign Joint Venture Party, the Existing Indian shareholders as on the date of Joint Venture Agreement shall be entitled to the first right of refusal; and</p> <p>ii. in case of transfer of shares by any of the Existing Indian Shareholders as on the date of Joint Venture Agreement, every other Existing Indian Shareholder as on Date Of Joint Venture Agreement shall have the first right to buy and failing them, the Foreign Joint Venture Party shall have the</p>

Title of Article	Article Number and contents
	<p>second right to buy such shares at the offer price to be determined in the manner contained hereinbelow.</p> <p>The date of communication by the selling Joint Venture Party shall be deemed to be the date of offer.</p> <p>The Joint Venture Parties other than the selling Joint Venture Party shall be entitled to buy the shares offered for sale in the proportion of their shareholding on the date of such offer at the offer price or the price on which the shares are quoted in the stock market on the date of offer, whichever is higher, in case the Company's shares are listed and if the shares of the Company are not quoted on any stock exchange in India, the market value of the shares shall be decided by the auditors of the Company on basis of the break-up method. In case any of the Joint Venture Parties opts not to purchase the shares, that Joint Venture Party's entitlement shall be distributed proportionately amongst the other Existing Shareholders as on date of Joint Venture Agreement and the Foreign Joint Venture Partner intending to purchase the shares. For the purpose of determining the price in the stock market on the date of offer, the highest closing price among all of the recognised stock exchange where the Company's equity shares are listed on the date of the offer shall be deemed to be the offer price</p> <p>In case any of the other Joint Venture Parties do not purchase the shares so offered, in part or whole, for a period of thirty days from the date of offer, the selling Joint Venture Party shall be entitled to sell the shares, not so purchased by other Joint Venture Parties, to any other person.</p> <p>Provided that the above provisions for pre-emption shall not apply in case of transmission or in case of transfers or gifts to relatives or transfers arising out of an corporate action.</p> <p>This Article shall automatically stand terminated on the termination of the Joint Venture Agreement of the Company with Specialty Process, LLC, provided the agreement is not renewed within one year from the date of termination, and the restriction on pre-emptive rights of Joint Venture Parties shall survive for a period of one year from such termination.</p>

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	<p>78.</p> <p>The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.</p>

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CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	<p>82.</p> <p>The Company may, by Ordinary Resolution:</p> <p>(a) convert any fully paid up Share into stock, and</p> <p>(b) reconvert any stock into fully paid-up Shares.</p>

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	<p>86.</p> <p>Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p>
The payment or repayment of moneys borrowed	<p>87.</p> <p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon : such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Terms of issue of Debentures	<p>88.</p> <p>Any debenture, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at General Meeting, appointment of Directors and otherwise; however, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.</p>

Title of Article	Article Number and contents
Mortgage of uncalled capital	<p>89.</p> <p>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, 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 has been executed.</p>

MEETING OF MEMBERS

Title of Article	Article Number and contents
Omission to give notice not to invalidate proceedings	<p>100.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>
Notice of business to be given	<p>101.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
Chairman's casting vote	<p>112.</p> <p>In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.</p>

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	<p>134.</p> <p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.</p>
Debenture Directors	<p>136.</p> <p>Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director 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 Article. The Debenture Director 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 agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.</p>

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Title of Article	Article Number and contents
Nominee Director or Corporation Director	<p>137.</p> <p>a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to Industrial Finance Corporation of India (IFCI), ICICI Ltd.(ICICI), The Industrial Development Bank of India (IDBI) or any other financing company or body out of any loans granted or to be granted by them to the Company or so long as IFCI, ICICI, IDBI or any other financing corporation or credit corporation or any other financing company or body (each of which IFCI, ICICI, IDBI or any other financing 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 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, 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 persons so appointed and to appoint any person or persons in his/ their places.</p> <p>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>c) 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 and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>e) 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. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or 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 Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p>

Title of Article	Article Number and contents
Directors may fill in vacancies	<p>f) 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 power 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 Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p> <p>140.</p>
Additional Directors	<p>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p> <p>141.</p>
Qualification shares	<p>The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p> <p>142.</p>
Directors' sitting fees	<p>A Director need not hold any qualification shares.</p> <p>143.</p>
Extra remuneration to Directors for special work	<p>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.</p> <p>144.</p>
	<p>Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>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>

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Title of Article	Article Number and contents
Directors and Managing Director may contract with Company	<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 authorised such payment.</p> <p>150. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.</p>
Director may be director of Companies promoted by the Company	<p>154. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>

MANAGING DIRECTOR AND MANAGER

Title of Article	Article Number and contents
Appointment and powers of Manager	<p>173A</p> <p>The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.</p>

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	<p>166.</p> <p>Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Wholetime Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time</p>

Title of Article	Article Number and contents
Remuneration of Managing Director	<p>(subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956.</p> <p>(b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.</p> <p>167.</p> <p>Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.</p>

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Powers of Board meeting	<p>179.</p> <p>A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.</p>
Acts of Board or Committee valid notwithstanding defect in appointment	<p>183.</p> <p>All acts done by any meeting of the Board or by a Committee of the Board 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 one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.</p>

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	<p>184.</p> <p>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall</p>

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Title of Article	Article Number and contents
Certain powers of the Board	<p>invalidate any prior act of the Board which would have been valid if that regulation had not been made.</p> <p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</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 or any such undertaking as is referred to in 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 moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), 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 per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p> <p>186.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p>

Title of Article	Article Number and contents
	<p>(1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>(3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, 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 other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise 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, mortgages 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>(5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>(6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>(7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>(8) 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 to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.</p> <p>(9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>(11) Subject to the provisions of Sections 291, 292, 295, 370,372 and all other applicable provisions of the Act, to invest and deal with any moneys of</p>

ASTRAL POLY TECHNIK LIMITED

Title of Article	Article Number and contents
	<p>the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>(13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>(14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they 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 such part thereof for the benefit of the Company, in such a manner and for such</p>

Title of Article	Article Number and contents
	<p>purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>(17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>(17A) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>(18) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>(19) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p>

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Title of Article	Article Number and contents
	<p>(20) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>(21) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>(22) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>(23) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>(24) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated 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>(25) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable 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>(26) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(27) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p>

Title of Article	Article Number and contents
	<p>(28) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(29) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(30) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(31) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(32) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p>

ACCOUNTS

Title of the Article	Article number and contents
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	<p>218.</p> <p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.</p>

DOCUMENTS AND NOTICES

Title of the Article	Article number and contents
Members bound by documents or notices served on or given to previous holders	<p>220.</p> <p>Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.</p>

SECTION IX : OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of filing the Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Prospectus, delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at 901, Parshwa Tower, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Ahmedabad- 380 054 from 10.00 am to 4.00 pm on working days from the date of the Prospectus until the Issue Closing Date.

Material Contracts

1. Letter of appointment dated September 29, 2006 to Karvy Investor Services Ltd. from our Company appointing them as the LM.
2. Memorandum of Understanding dated November 9, 2006 amongst our Company and LM.
3. Engagement letter dated October 11, 2006 of M/s. Crawford Bayley & Co. as legal advisors to the Issue.
4. Memorandum of Understanding dated November 11, 2006, executed by our Company with Bigshare Services Pvt. Ltd., the registrar to the Issue.

Material Documents

1. Copy of the Memorandum and Articles of Association.
2. Copy of the Certificate of Incorporation dated March 25, 1996.
3. Copies of the Certificates in relation to change of name from ASTRAL POLY TECHNIK PRIVATE LIMITED to ASTRAL POLY TECHNIK LIMITED dated September 29, 2006.
4. Copy of the resolution passed at the Board meeting held on September 04, 2006 and copy of the resolution passed by the shareholders of our Company at the EGM passed under Section 81 (1A) of the Companies Act, 1956 dated September 29, 2006 for the Issue.
5. Copy of the resolution passed at our EGM held on March 27, 2006 re-appointing Mr. Sandeep P. Engineer as Managing Director, and setting out his terms of appointment.
6. Copy of the resolution passed at our AGM held on August 10, 2006 re-appointing Mrs. Jagruti S. Engineer as Executive Director, and setting out her terms of appointment.
7. Copy of the report of the Statutory Auditors N. Gamadia & Co. dated January 26, 2007 containing Restated Financial Statements for the nine months ended December 31, 2006 and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002 prepared as per Indian GAAP and mentioned in the Offer Document.
8. Copies of annual reports of our Company for the years ended March 31, 2002, March 31, 2003, March 31, 2004, March 31, 2005 and March 31, 2006.
9. Copy of the audited accounts for the nine-month period ended December 31, 2006.
10. Copy of the consent of the Statutory Auditors, N. Gamadia & Co. for inclusion of their report dated January 26, 2007.
11. Copies of the consents of statutory Auditors, bankers to the Company, LM, Registrar to the Issue, banker to the Issue, legal advisors to the Issue, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
12. Copies of the initial listing applications dated November 27, 2006 filed with BSE and NSE respectively.

13. Copies of the in-principle listing approval dated December 14, 2006 and January 12, 2007 from BSE and NSE respectively.
14. Copy of the tripartite agreement between NSDL, our Company and the Registrar to the Issue dated January 31, 2007.
15. Copy of the tripartite agreement between CDSL, our Company and the Registrar to the Issue dated January 04, 2007.
16. Copy of the due diligence certificate dated November 24, 2006 to SEBI from Karvy Investor Services Ltd.
17. Copy of the letter dated October 18, 2006 from the Auditors of the Company, N. Gamadia & Co., Chartered Accountants confirming tax benefits as mentioned in the Prospectus.
18. Copy of the SEBI observation letter No. CFD/DIL/SM/ISSUES/84361/2007 dated January 15, 2007.
19. Copies of the Joint Venture Agreement dated April 06, 1998 between our Company and the No Objection Certificate dated November 16, 2006 issued to our Company by Specialty Process LLC.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified or rescinded 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.

ASTRAL POLY TECHNIK LIMITED

DECLARATION

All the relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the guidelines issued by Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules and regulations made thereunder or guidelines issued thereunder, as the case may be. Our Company further certifies that all the statements in the Prospectus are true and fair.

SIGNED BY THE DIRECTORS OF ASTRAL POLYTECHNIK LIMITED

Mr. K. Raghunath Shenoy
Non-Executive Chairman

Mr. Sandeep P. Engineer
Managing Director

Mrs. Jagruti S. Engineer
Executive Director

Mr. Nimish G. Dalal
Non-Executive Director

Mr. Kyle A. Thompson
Non-Executive Director

Mr. Pradip N. Desai
Independent and Non-Executive Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Hiranand Savlani
Chief Financial Officer

SIGNED BY THE COMPLIANCE OFFICER

Mr. Lokesh L. Dave
Company Secretary and Compliance Officer

Date: January 31, 2007

Place: Ahmedabad

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