



AMRAPALI CAPITAL AND FINANCE SERVICES LIMITED

Our Company was originally incorporated in Ahmedabad as "Amrapali Capital and Finance Services Limited" on May 20, 1994 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. For further details in relation to the change in the name of our Company, please refer to the section titled "Our History and Certain Corporate Structure" beginning on page 84 of this Prospectus.

Registered Office: Shop No.3, Ashoka Complex, Ground Floor, B/h Woodland Hotel, Naroli Cross Road, Silvassa.

Company Secretary: Ms. Rashmi Auhuja,

Contact Person & Compliance Officer: Mr. Nirav Basher

Corporate Office: 19/20/21 3rd Floor, Narayan Chambers, Ashram Road, Ahmedabad – 380009 Tel No: +91-79- 26575105-06 Fax No: +91 -79- 26584313 **E-Mail:** grievances@amrapali.com; **Website:** www.amrapali.com

PROMOTERS OF THE COMPANY: Mr. CHIRAG THAKKAR and Mr. MONAL THAKKAR

PUBLIC ISSUE OF 25,77,600 EQUITY SHARES OF ₹. 10/- EACH OF AMRAPALI CAPITAL AND FINANCE SERVICES LIMITED ("ACFSL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 100/- PER SHARE (THE "ISSUE PRICE"), INCLUDING A SHARE PREMIUM OF ₹ 90 PER EQUITY SHARE AGGREGATING TO ₹ 2577.60 LACS ("THE ISSUE"), OF WHICH 1,29,600 EQUITY SHARES OF RS. 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. ISSUE OF 24,48,000 EQUITY SHARES OF ₹. 10 EACH AT A PRICE OF ₹ 100 AGGREGATING TO ₹ 2448.00 IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.36 % AND 25.03%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

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

For further details see "Terms of the Issue" beginning on page 150 of this Prospectus.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 156 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 10 (TEN) TIMES THE FACE VALUE.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares is ₹ 10/- and the Issue Price is ₹ 100 per equity share is 10 time of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on "Basis for Issue Price" beginning on page 51 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 10 of this Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated September 20, 2013 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER



CORPORATE STRATEGIC ALLIANZ LIMITED

402, Samedh Complex, Near Associated Petrol Pump,
C.G. Road, Ahmedabad – 380 006,
Gujarat- India.
Tel No: +91-79- 2642 4138
Tele Fax No: +91- 79- 40024670
SEBI REGN NO: INM 000011260
Email Id: acfsl.sme@csapl.com
Website: www.csapl.com
Contact Person: Mr. Nevil R. Savjani

REGISTRAR TO THE ISSUE



SATELLITE CORPORATE SERVICES PRIVATE LIMITED

B-302, Sony Apartment, Opp. St. Jude High School, 90 ft. Road, Off
Andheri Kurla Road, Jarimari, Sakinaka,
Mumbai – 400 072.
Tel: +91-22- 28520461/462
Fax: +91-22- 28511809
SEBI REGN NO: INR000003639
Email Id: service@satellitecorporate.com
Website: www.satellitecorporate.com
Contact Person: Mr. Michael Monteiro

ISSUE PROGRAMME

ISSUE OPENS ON: [Tuesday , October 15, 2013]

ISSUE CLOSES ON: [Friday, October 18, 2013]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Term	Description
“AMRAPALI CAPITAL”, “ACFSL”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	AMRAPALI CAPITAL AND FINANCE SERVICES LIMITED , a public limited company incorporated under the Companies Act, 1956 and having as Registered Office at Shop No. 3, Ground Floor, Ashoka Complex, B/h. Woodland Hotel, Naroli cross road, Silvassa, Dadra Nagar Haveli-396230
Promoters	Mr. Chirag Thakkar and Mr. Monal Thakkar
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (zb) of the SEBI ICDR Regulations

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company
Auditors	The Statutory auditors of our Company, being M/s.Mehul Thakker & Co., Chartered Accountants
Board of Directors/ Board	The Board of Directors of our Company or a committee constituted thereof
BSE	BSE Limited (Designated Stock Exchange)
Business Associates	The parties, including sub-brokers registered with the SEBI, with whom we have entered into arrangements for services including introduction of customers to our services
Business Location	Premises in which we and/or our Business Associates operate one or more of our business activities.
Companies Act	The Companies Act, 1956, as amended from time to time.
Depositories Act	The Depositories Act, 1956, as amended from time to time
Director(s)	Director(s) of Amrapali Capital and Finance Services Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
ED	Executive Director
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
Key Managerial Personnel/Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 88 of this Prospectus
MD	Managing Director
Memorandum/ Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Peer Review Auditor	M/S V J Amin & Co., Chartered Accountants
Registered Office	The Registered office of our Company, located at shop no:3, Ground Floor, Ashoka Complex, B/H Woodland Hotel, Naroli Cross Road, silvassa, Dadra Nagar Haveli:-396230
RoC/ Registrar of Companies	Registrar of Companies, Gujarat, Dadra And Nagar Haveli.

ISSUE RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA

	Account maintained with the SCSB. ASBA is mandatory for QIBs and Non-Institutional Applicants participating in the Issue.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Applicants	All prospective investors in this Issue who intend to apply through the ASBA process.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page 161 of this Prospectus
Bankers to our Company	HDFC Bank and Allahabad Bank.
Bankers to the Issue	ICICI Bank Limited
BSE	BSE Limited
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Draft Prospectus	The Draft Prospectus Dated September 19, 2013 issued in accordance with Section 60B of the Companies Act filed with the BSE and the SEBI Regulations
Engagement Letter	The engagement letter dated June 12, 2013 and supplementary letter dated September 16, 2013. between our Company and the LM
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered into amongst our Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected from the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of our Company will be opened
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 25,77,600 Equity Shares of ₹ 10 each at ₹ 100(including share premium of ₹ 90) per Equity Share aggregating to ₹ 2577.60 Lacs by Amrapali Capital And finance Services Limited
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 100
LM / Lead Manager	Lead Manager to the Issue, in this case being Corporate Strategic Allianz Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 24,48,000 Equity Shares of ₹ 10 each at ₹ 100 (including share premium of ₹ 90) per Equity Share aggregating to ₹ 2448.00 Lacs by Amrapali Capital and finance Services Limited
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information

Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lacs, pension fund with minimum corpus of ₹ 2,500 Lacs, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India
Refund Account	Account to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made
Refund Bank	ICICI Bank Limited
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Issue	Registrar to the Issue being Satellite Corporate Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	Corporate Strategic Allianz Limited and khajanchi & Gandhi Stock Broking Private Limited .
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated October 09, 2013.
Working Days	All days on which banks in Mumbai are open for business except Sunday and public holiday, provided however during the Application period a working day means all days on which banks in Mumbai are open for business and shall not include a Saturday, Sunday or a public holiday

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
AMFI	Association of Mutual Funds in India
BOLT	Bombay online trading system
C-Broking	Clearing Broking
CFD	Contract for Difference
Commodities Market/	An exchange for buying and selling of commodities for future delivery
CPAI	Commodities Participants Association Of India
Currency Futures Market/ Currency Futures Segment	Market where currency future contracts are traded
Derivatives	Derivative is a product whose value is derived from the value of one or more basic variables, called bases (underlying asset, index or reference rate), in a contractual manner. The underlying asset can be equity, forex, commodity or any other asset.

Derivatives Market	The financial markets for derivatives and financial instruments like futures contracts or options, which are derived from other forms of assets.
ECB	Exchange Currency Borrowing
F&O	Futures and Options
FCRA	Forward contract (Regulation) Act, 1953
FMC	Forward Markets Commission
Futures Contract	A futures contract is a standardized contract to buy or sell a specified securities or commodity of standardized quality at a certain date in the future and at a market-determined price (the futures price). The contracts are traded on a futures exchange.
GDR	Global Depository Receipt
HNI	High Networth Individual
ICEX	Indian Commodity Exchange Limited
ICAI	Institute of chartered accountant of India
ICSI	Institute of Company secretaries of India
IP	Intellectual Property
IRDA	Insurance Regulatory and Development Authority
IS	Information Technology
Market Capitalization	No. of outstanding shares multiply by Current Market price of one share
NSE	National Stock Exchange of India Limited
BSE	Bombay Stock Exchange Limited
MCX	Multi Commodity Exchange of India Limited
MCX-SX	MCX Stock Exchange Limited
MCX-SX ccl	MCX clearing Corporation limited
MTM	Mark to Market
NASDAQ	National Association of Securities Dealers Automated Quotation System
NCDEX	National Commodity and Derivative Exchange Limited
NIFTY	National Stock Exchange Sensitive Index
NEAT	National Exchange for Automated trading
Options Contract	The right, but not the obligation, to buy or sell a specific amount of a given stock, commodity, currency, index, or debt, at a specified price during a specified period of time.
OT	Over the counter
QIP	Qualified Institutional Placement
PE	Private Equity
SENSEX	Bombay Stock Exchange Sensitive Index
SEC	Security Exchange Commission
STT	Securities Transaction Tax
USE	United Stock Exchange of India Limited
VSAT	Very Small Aperture Terminal
VC	Venture Capital
Wholesale Debt Market	A market for the issuance, trading and settlement in fixed income securities of various types.

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956, as amended from time to time
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
BG	Bank Guarantee
BSE	The Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited

CIN	Corporate Identity Number
CRR	Cash Reserve ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's identification number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FCNR Account	Foreign Currency Non Resident Account established in accordance with the FEMA
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Offer
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MICR	Magnetic Ink Character Recognition
MoU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate

NR/ Non Residents	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE/NSEL	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self Certified Syndicate Banks
SDM	Sub Divisional Magistrate
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	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 ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.

VCFs	<p>Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.</p> <p>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.</p>
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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in the Prospectus is derived from our audited financial statements for the period ended June 30, 2013 and for the financial year ended March 31, 2013, 2012, 2011, 2010 and 2009 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Prospectus, and set out in the section titled '*Financial Information*' beginning on page number 105 of the Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page numbers 10, 70 and 125 respectively, of the Prospectus and elsewhere in the Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

Currency and units of presentation

In the Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. 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 our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in the Prospectus that are not statements of historical facts constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- ❖ Downturns or disruptions in the securities markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.
- ❖ Intense competition from existing and new entities may adversely affect our revenues and profitability.
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business.
- ❖ Our business and financial performance is particularly vulnerable to interest rate risk.
- ❖ The performance of our financial services business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments.
- ❖ Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business.
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company.
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "*Risk Factors*", "*Business Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 10, 70 and 125 of this 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 gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, the Syndicate Members, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II - RISK FACTORS

An investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. You should read this section together with “Our Business” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” on pages 70 and 125 respectively, as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled ‘Financial Information’ beginning on page number 105 of the Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

Any of the following risks as well as the other risks and uncertainties discussed in this Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of the Equity Shares to decline, which could result in the loss of all or part of your investment. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared under Indian GAAP and restated in accordance with the SEBI ICDR Regulations.

The Risk factors shall be determined on the basis of their materiality. In determining the materiality of risk factors, the following shall be considered:

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have an impact which is qualitative though not quantitative.
3. Some risk may not be material at present but may have a material impact in the future.

Internal Risk Factors

1. **We are involved in a number of legal proceedings which, if determined against us, could adversely affect our business and financial condition.**

The Issuer, the Directors and the Promoters, are parties to certain legal proceedings. No assurances can be given as to whether these matters will be settled in our favour or against us. A summary of the pending proceedings is set forth below:

Litigation involving our Company

Particular	Nature of cases	No of outstanding cases	Amount involved (Rs in lacs)
Against our companies			
Income Tax Matter		1	*44.74
Litigation by companies			
Income Tax Matter		1	*1.48

* The amount has been already paid.

Litigation involving our Promoter/ Directors

Particular	Nature of cases	No of outstanding	Amount involved
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		cases	(Rs in lacs)
Litigation by Promoter/ Directors			
	Income Tax Matter	1	15.61

For further details on outstanding litigation, please refer to chapter titled "Outstanding Litigation and Material Developments on Page No 131 of the Prospectus.

2. **Our group company Amrapali Fincap Private Limited has incurred loss for the financial year 2012 of ₹ 1.32 lacs.**

3. **We have entered into a number of related party transactions.**

We have entered into a number of related party transactions. Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For further details, see the section titled "Financial Information" beginning on page 105.

4. **We are exposed to risks attributable to derivatives trading by clients.**

We offer our clients the facility to trade in derivative instruments in the securities and currencies markets, as permitted by applicable laws. Since these derivative instruments involve taking leveraged positions on the underlying assets, these are more risky to deal with compared to the other financial instruments. We may face financial losses if we fail to manage risks associated with the clients' dealings in derivative instruments, particularly due to price and market volatility.

5. **Our Registered Office is not owned by us.**

Our Registered Office situated at Shop No.3, Ashoka Complex, Ground Floor, B/h Woodland Hotel, Naroli Cross Road, Silvassa has been taken on lease for a period of 11 months commencing on May 13, 2013 at a consideration of 4290 per Month from Mr. Ashokbhai Rambhai Patel.

6. **We operate our business mainly from rented premises.**

All the offices, through which we operate our business, including our registered and Branch offices, are taken on leave and license basis from third parties. We may in future enter into such transactions with third parties. Any adverse impact on the title /ownership rights/ development rights of our landlords in whose name or title the premises we operate in may impede our Company's effective operations. Further in the event of non-renewal of these leave and license agreements our operations and profitability may be adversely affected.

7. **Our operations are considerably located in Gujarat and Mumbai and failure to expand our operations may restrict our growth and adversely affect our business.**

Currently, we are carrying our business mainly in the Gujarat and hence our major revenues are generated from operations in these regions only. In the event that demand for equity trading activities in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and adversely affected. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues.

8. **Our Company did not comply with Section 383A of the Companies Act, 1956 regarding the Appointment of Whole Time Company Secretary. Such non-compliances may result in penalties or other action on our Company by the statutory authorities.**

Our Company did not comply with Section 383(A) of the Companies Act, 1956 regarding the appointment of Whole time Company Secretary for a period from December 2001 to February 2013. No action has been initiated or taken by any statutory authority for the above non compliance. Further, our company appointed Ms. Rashmi Aahuja on February, 2013 as a full time Company Secretary

9. Deployment of the Issue Proceeds is entirely at the discretion of the issuer and is not subject to any monitoring by any Independent agency

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company. As the net proceeds of the Issue will be less than ₹ 50,000 Lacs, under the sub-regulation (1) of Regulation 16 of SEBI (ICDR) Regulations, 2009 it is not required that a monitoring agency be appointed by our Company.

However, as per the Clause 52 of the SME Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.


10. Material changes in the regulations that govern us could cause our business to suffer and the price of our Equity Shares to decline.

We are regulated by the Companies Act and our activities are subject to supervision and regulation by statutory and regulatory authorities including the SEBI, FMC, RBI, NSDL, and the Stock Exchanges. For more information see the section titled “other regulatory and statutory disclosures” beginning on page no 137 of this Prospectus. In addition, we are subject to changes in Indian law, as well as to changes in regulation, government policies and accounting principles.

11. Security breaches could damage our reputation and result in a liability to us.

Our operations rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to un authorized access, computer viruses or other malicious code and other events that could have a security impact. If one or more of such events occur, this could potentially jeopardise our or our clients’ confidential and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, our clients’ or third parties’ operations, which could result in significant losses and/or reputational damage. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures, and we may be subject to litigation and financial losses that are either not insured against or not fully covered through any insurance maintained by us.

12. Trademark is not registered in our name.

Our company has applied for registration of Trademark Amrapali i.e.  **Amrapali** but still it is not registered in our name due to opposition notice filled by M/s Ultra Home Construction Private Limited and matter which is still pending .

13. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

We have experienced negative cash flows in the recent past, the details of our standalone cash flows are given in the table below:

(` in lacs)

Particulars	30 th June 2013	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010	31 st March 2009
Cash Flow from Operating Activities	(816.30)	(1066.86)	879.76	(5041.70)	912.72	711.25
Cash Flow used in Investing Activities	(14.27)	573.66	230.32	190.10	372.18	516.80
Cash Flow from /(used in) Financing Activities	(12.31)	(143.57)	(2071.04)	1771.52	(142.32)	(320.19)

14. Penalties levied under various laws for last five years

The past cases in which penalties have been imposed during last five years on our company are as follows:

(₹ In Lacs)					
Authority levied penalty	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Stock Exchange	0.31	20.82	1.10	5.09	Nil

15. Our Promoters and Promoters Group will continue to hold a majority of our Equity Shares after the Issue and can significantly determine the outcome of shareholder voting and influence our corporate actions and our operations.

Following the completion of the Issue, our Promoters and Promoter Group will own an aggregate of 51.65 % of our issued and paid-up Equity Share capital. So long as they will hold a majority of our Equity Shares they will continue to have, considerable influence over our business and may take actions that do not reflect the will or best interests of the other shareholders and will be able to control the outcome of any proposal that can be passed with a majority shareholder vote. The Promoters will be able to control most matters affecting us, including the appointment and removal of officers, our business strategies and policies, dividend payouts and capital structure and financing. The Promoter and Promoter group will also continue to have the ability to cause us to take actions that are not in, or may conflict with, our Interests and/or the interests of our minority shareholders, and there can be no assurance that such actions will not have an adverse effect on our future financial performance and the price of our Equity Shares. For further details, see the chapters titled "Capital Structure", "Our History and Certain Corporate Matters", "Our Promoters and Promoter Group" on page no 39, 84 and 98 respectively of this Prospectus.

16. Any future issuance of Equity Shares by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in our Company; adversely affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

17. Employee misconduct is difficult to detect and prevent and may have an adverse effect on our businesses.

There have been a number of highly publicised cases involving fraud or other misconduct by employees in the financial services industry in recent years. It is not always possible to deter or prevent employee misconduct and the precautions we take to prevent and detect this activity may not be effective in all cases.

18. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all, which could result in the delay or abandonment of any of our business development plans and this may affect our business and future results of operations.

Our growth is dependent on our having a strong balance sheet to support our activities. We may need to raise additional capital from time to time, which we may not be able to procure. We have, in the past, relied on our Promoters and Promoter Group to assist us in funding our expansion which may not necessarily be available in the future. We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this offering and our internally generated cash flow, we may need additional sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional fund through further equity offerings in the future and any fresh issue of shares or convertible securities would dilute existing holdings. If we decide to

raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of any of our business development plans and this may affect our business and future results of operations.

19. ***We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” on page no. 48 of this Prospectus.

20. **We require certain regulatory approvals for conducting our business and failure to obtain or retain them in a timely manner, or at all, may adversely affect our operations.**

We require certain approvals, licenses, registrations and permissions for operating our business. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. In particular, we are required to obtain a certificate of registration for carrying on each of our business activities that are subject to numerous conditions. If we fail to comply, or a regulator claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we shall not be able to carry on such activity. This may materially and adversely affect our business, financial condition and results of operations. For more information, please refer to the section titled “Government and other Statutory Approvals” beginning on page 134 of this Prospectus.

21. **The insurance coverage taken by us may not be adequate to protect against certain business risks. This may adversely affect our financial condition and result of operations.**

Operating and managing a business involves many risks that may adversely affect our operations and the availability of insurance is therefore important to our operations. We believe that our insurance coverage is generally consistent with industry practice. However, to the extent that any uninsured risks materialize or if it fails to effectively cover any risks, we could be exposed to substantial costs and losses that would adversely affect our financial condition. In addition, we cannot be certain that the coverage will be available in sufficient amounts to cover one or more large claims or that our insurers will not disclaim coverage as to any particular claim or claims. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or that leads to adverse changes in our insurance policies, including premium increases or the imposition of a large deductible or coinsurance requirement, could adversely affect our financial condition and results of operations.

22. **Our reputation may be affected adversely and we may be liable to our clients and third parties if our services are not regarded as satisfactory.**

Our Company is dependant to a large extent on our relationships with our clients and our reputation for integrity and the services to attract and retain the clients. As a result, if a client is not satisfied with our services, it may affect our business adversely. Moreover, our role as an advisor to our clients involves complex analysis and our judgment. Our activities may subject us to the risk of significant legal liabilities to our clients and aggrieved third parties, including shareholders of our clients in recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against financial intermediaries have been increasing. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. As a result, we may incur significant legal expenses in defending against litigation. Substantial legal liability or significant regulatory action against us could have material adverse financial effects or cause significant harm to our reputation, which could seriously harm our business prospects.

23. **Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**

Our revenues are dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into.

The combination of these factors may result in significant variations in our revenues and profits and thereby may impact our ability to pay dividends. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of our future performance. In the future our results of operations are below market expectations; the price of our Equity Shares could decline.

24. Our business and financial performance is particularly vulnerable to interest rate risk.

Our business is vulnerable to interest rate risk as it affects willingness of our customers to borrow funds. Any adverse movement in interest rates could materially and adversely affect our business and financial condition. Any inability on our part to retain customers as a result of rising interest rates may adversely impact our earnings in future periods, which could have an adverse effect on our business, prospects, financial condition and results of operations.

25. Pricing and other competitive pressures may impair the revenues and profitability of our Equity brokerage business.

We have experienced intense price competition in this business in recent years. In particular, the ability to execute trades electronically and through other alternative trading systems has increased the pressure on trading commissions, volume and spreads. We expect this trend toward alternative trading systems to continue. We believe we may experience competitive pressures in these and other areas as some of our competitors seek to obtain market share by competing on the basis of price. In addition, we face pressure from our major competitors, which may be better able to offer a broader range of complementary products and services to brokerage clients in order to win their trading business. As we continue to maintain our research coverage to support our client's brokerage businesses, we may be required to make substantial investments in our research capabilities. We are unable to ascertain the likely impact of such competitive pressures on our results and operations. If we are unable to compete effectively with our competitors in these areas, brokerage revenues may decline and our business, financial condition and results of operations may be adversely affected.

External Risk Factors

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

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

2. Global recession and market conditions could cause our business to suffer.

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of recovering from recession which is affecting the economic condition and markets of not only these economies but also the economies of the emerging markets like Brazil, Russia, India and China. General business and consumer sentiment has been adversely affected due to the global slowdown and there cannot be assurance, whether these developed economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets.

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

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

4. Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.

Natural calamities such as draughts, floods, and earthquakes could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely impact our business and our operating results. India's being a monsoon driven economy, climate change caused due to global warming bringing deficient / untimely monsoons could impact Government policy which in turn would adversely affect our business.

5. Tax rates applicable to Our Company may increase and may have an adverse impact on our business.

Any increase in the tax rates including surcharge and education cess applicable to us may have an adverse impact on our business and results of operations and we can provide no assurance as to the extent of the impact of such changes.

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

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect our business, financial condition and results of operations.

7. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

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

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Khajanchi & Gandhi Stock Broking Private Limited as Designated

Market Maker for the equity shares of our company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the chapter titled "*General Information*" beginning on page 33 of this Prospectus.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

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

PROMINENT NOTES:

1. This is a Public Issue of 25,77,600 Equity Shares of ₹ 10 each at a price of ₹ 100 (including share premium of ₹ 90) per Equity Share aggregating ₹ 2577.60 Lacs.
2. For information on changes in our Companies name, Registered Office and changes in the objects clause of the MOA of our Company, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 84 of this Prospectus.
3. Our Net Worth as per Restated Financial Statement as at June 30, 2013 was ₹ 5282.07 and as on March 31, 2013 was ₹ 5,276.38 Lacs.
4. The Net Asset Value per Equity Share as at June 30, 2013 was ₹ 73.35 and as on March 31, 2013 was ₹ 73.27.
5. Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
6. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters Average cost of acquisition (in ₹)

Name	Average cost
Mr. Monal Thakkar	₹ 10
Mr. Chirag Thakkar	₹ 10

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled "Capital Structure" beginning on page no 39 of the Prospectus.

7. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.
8. The details of transaction by our Company are disclosed under "*Related Party Transactions*" in "*Section XV Financial Information*" of our Company beginning on page no 120 of this Prospectus.

SECTION III

SUMMARY OF OUR INDUSTRY

❖ Indian Economy

The Indian economy was one of the fastest growing economies in the post-crisis period. During 2011-12, however, there was continuous deceleration of economic activity in each of the four quarters which pushed the expansion of the economy to below potential, which is the maximum level of output that the economy can sustain without creating macroeconomic imbalances. There has been a deceleration in all sub-sectors of the economy, barring 'electricity, gas and water supply' and 'community, social and personal services'.

❖ Broad Constituents in the Indian Capital Markets

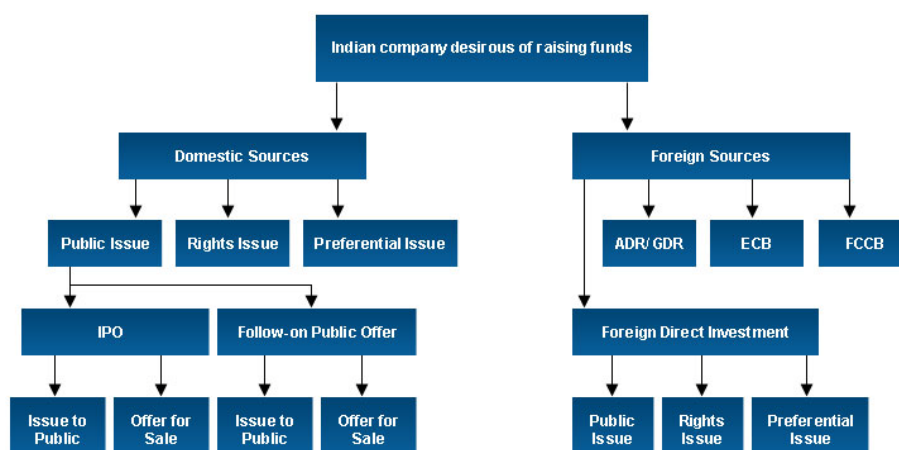
Fund Raisers are companies that raise funds from domestic and foreign sources, both public and private.

Fund Providers are the entities that invest in the capital markets. These can be categorized as domestic and foreign investors, institutional and retail investors. The list includes subscribers to primary market issues, investors who buy in the secondary market, traders, speculators, FIIs/ sub accounts, mutual funds, venture capital funds, NRIs, ADR/GDR investors, etc.

Intermediaries are service providers in the market, including stock brokers, sub-brokers, financiers, merchant bankers, underwriters, depository participants, registrar and transfer agents, FIIs/ sub accounts, mutual Funds, venture capital funds, portfolio managers, custodians, etc.

Organizations include various entities such as BSE, NSE, other regional stock exchanges, and the two depositories National Securities Depository Limited (NSDL) and Central Securities Depository Limited (CSDL).

Market Regulators include the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI).



Appellate Authority: The Securities Appellate Tribunal (SAT)

Participants in the Securities Market

SAT, regulators (SEBI, RBI, DCA, DEA), depositories, stock exchanges (with equity trading, debt market segment, derivative trading), brokers, corporate brokers, sub-brokers, FIIs, portfolio managers, custodians, share transfer agents, primary dealers, merchant bankers, bankers to an issue, debenture trustees, underwriters, venture capital funds, foreign venture capital investors, mutual funds, collective investment schemes.

❖ EQUITY MARKET

History of the Market

With the onset of globalization and the subsequent policy reforms, significant improvements have been made in the area of securities market in India. Dematerialization of shares was one of the revolutionary steps that the government implemented. This led to faster and cheaper transactions, and increased the volumes traded by many folds. The adoption of the market-oriented economic policies and online trading facility transformed Indian equity markets from a broker-regulated market to a mass market. This boosted the sentiment of investors in and outside India and elevated the Indian equity markets to the standards of the major global equity markets.

The 1990s witnessed the emergence of the securities market as a major source of finance for trade and industry. Equity markets provided the required platform for companies and start-up businesses to raise money through IPOs, VC, PE, and finance from HNIs. As a result, stock markets became a people's market, flooded with primary issues. In the first 11 months of 2007, the new capital raised in the global public equity markets through IPOs accounted for \$107 billion in 382 deals out of the total of \$255 billion raised by the four BRIC countries. This was a sizeable growth from \$90 billion raised in 302 deals in 2006. Today, the corporate sector prefers external sources for meeting its funding requirements rather than acquiring loans from financial Institutions or banks.

❖ Derivative Markets

The emergence of the market for derivative products such as futures and forwards can be traced back to the willingness of risk-averse economic agents to guard themselves against uncertainties arising out of price fluctuations in various asset classes. By their very nature, the financial markets are marked by a very high degree of volatility. Through the use of derivative products, it is possible to partially or fully transfer price risks by locking in asset prices. However, by locking in asset prices, derivative products minimize the impact of fluctuations in asset prices on the profitability and cash flow situation of risk-averse investors. This instrument is used by all sections of businesses, such as corporates, SMEs, banks, financial institutions, retail investors, etc. According to the International Swaps and Derivatives Association, more than 90 percent of the global 500 corporations use derivatives for hedging risks in interest rates, foreign exchange, and equities. In the over-the-counter (OTC) markets, interest rates (78.5%), foreign exchange (11.4%), and credit form the major derivatives, whereas in the exchange-traded segment, interest rates, government debt, equity index, and stock futures form the major chunk of the derivatives.

❖ EXCHANGE PLATFORM

➤ Domestic Exchanges

Indian equities are traded on three major national exchanges: MCX Stock Exchange Limited (MCX-SX), Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

➤ MCX Stock Exchange

MCX Stock Exchange Limited (MCX-SX), India's new stock exchange, is recognized by the Securities and Exchange Board of India (SEBI) under Section 4 of the Securities Contracts (Regulation) Act, 1956. The Exchange was granted the status of a 'recognized stock exchange' by the Government of India on December 19, 2012. In line with global best practices and regulatory requirements, clearing and settlement of trades is conducted through a separate clearing corporation-MCX-SX Clearing Corporation Limited (MCX-SXCCL).

MCX-SX commenced operations in Currency Futures in the Currency Derivatives segment on October 7, 2008 under the regulatory framework of SEBI and Reserve Bank of India (RBI). The Exchange commenced trading in Currency Options on August 10, 2012. The Exchange received permissions to deal in Interest Rate Derivatives, Equity, Futures and Options on Equity and Wholesale Debt segments, vide SEBI's letter dated July 10, 2012. The Exchange further received permission to commence trading in these new segments, vide SEBI's letter dated December 19, 2012. The Exchange commenced trading in the Equity segment on February 11, 2013.

➤ Bombay Stock Exchange (BSE)

BSE is the oldest stock exchange in Asia. The extensiveness of the indigenous equity broking industry in India led to the formation of the Native Share Brokers Association in 1875, which later became Bombay Stock Exchange Limited (BSE). BSE is widely recognized due to its pivotal and pre-eminent role in the development of the Indian capital market.

BSE has a nation-wide reach with a presence in more than 450 cities and towns of India. BSE has always been at par with the international standards. It is the first exchange in India and the second in the world to obtain an ISO 9001:2000 certifications. It is also the first exchange in the country and second in the world to receive Information Security Management System Standard BS 7799-2-2002 certification for its BSE Online Trading System (BOLT).

➤ **National Stock Exchange (NSE)**

NSE was recognised as a stock exchange in April 1993 under the Securities Contracts (Regulation) Act. It commenced its operations in Wholesale Debt Market in June 1994. The capital market segment commenced its operations in November 1994, whereas the derivative segment started in 2000. NSE introduced a fully automated trading system called NEAT (National Exchange for Automated Trading) that operated on a strict price/time priority. This system enabled efficient trade and the ease with which trade was done. NEAT had lent considerable depth in the market by enabling large number of members all over the country to trade simultaneously, narrowing the spreads significantly. The derivatives trading on NSE commenced with S&P CNX Nifty Index futures on June 12, 2000. The futures contract on NSE is based on S&P CNX Nifty Index. The Futures and Options trading system of NSE, called NEAT-F&O trading system, provides a fully automated screen based trading for S&P CNX Nifty futures on a nationwide basis and an online monitoring and surveillance mechanism. It supports an order-driven market and provides complete transparency of trading operations.

➤ **International Exchanges**

Due to increasing globalization, the development at macro and micro levels in international markets is compulsorily incorporated in the performance of domestic indices and individual stock performance, directly or indirectly. Therefore, it is important to keep track of international financial markets for better perspective and intelligent investment.

1. NASDAQ (National Association of Securities Dealers Automated Quotations)
2. LSE (London Stock Exchange)
3. Frankfurt Stock Exchange

❖ **REGULATORY AUTHORITY**

There are four main legislations governing the securities market:

- a. The SEBI Act, 1992 establishes SEBI to protect investors and develop and regulate the securities market.
- b. The Companies Act, 1956 sets out the code of conduct for the corporate sector in relation to issue, allotment, and transfer of securities, and disclosures to be made in public issues.
- c. The Securities Contracts (Regulation) Act, 1956 provides for regulation of transactions in securities through control over stock exchanges.
- d. The Depositories Act, 1996 provides for electronic maintenance and transfer of ownership of demat securities.\

❖ **Indian Capital Market**

Capital market is one of the most important segments of the Indian financial system. It is the market available to the companies for meeting their requirements of the long-term funds. It refers to all the facilities and the institutional arrangements for borrowing and lending funds. In other words, it is concerned with the raising of money capital for purposes of making long-term investments. The market consists of a number of individuals and institutions (including the Government) that canalise the supply and demand for long -term capital and claims on it. The demand for long term capital comes predominantly from private sector manufacturing

industries, agriculture sector, trade and the Government agencies. While, the supply of funds for the capital market comes largely from individual and corporate savings, banks, insurance companies, specialized financing agencies and the surplus of Governments.

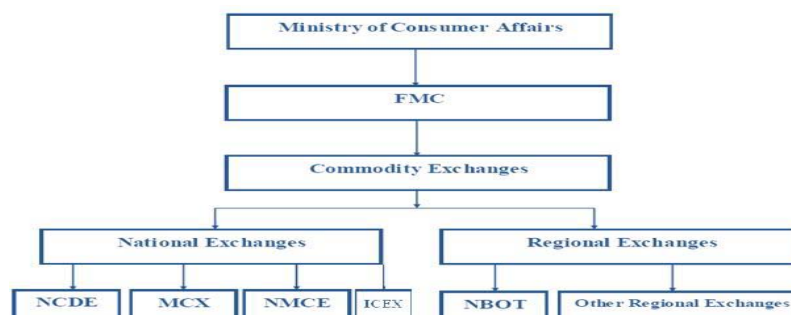
- **Primary market (new issue market):-** deals with 'new securities', that is, securities which were not previously available and are offered to the investing public for the first time. It is the market for raising fresh capital in the form of shares and debentures. It provides the issuing company with additional funds for starting a new enterprise or for either expansion or diversification of an existing one, and thus its contribution to company financing is direct. The new offerings by the companies are made either as an initial public offering (IPO) or rights issue.

The primary market enables the government as well corporates in raising the capital that is required to meet their requirements of capital expenditure and/or discharge of other obligations such as exit opportunities for venture capitalist/PE firms. The most common primary mechanism for raising capital is an initial public offer (IPO), under which shares are offered to the public as a precursor to trading in the secondary market of an exchange. The price at which the shares are to be issued is decided with the help of the book building mechanism; in the case of oversubscription, the shares are allotted on a pro-rata basis. When securities are offered exclusively to the existing shareholders of company, as opposed to the general public, it is known as rights issue. Another mechanism whereby a listed company can issue equity shares, as well as fully and partly convertible debentures that can be later converted into equity shares, to a qualified institutional buyer (QIB) is termed as qualified institutional placement (QIP). In addition to raising capital in the domestic market, companies can also issue securities in the international market through the ADR/GDR/ECB route to raise capita

- **Secondary market/ stock market (old issues market or stock exchange):-** is the market for buying and selling securities of the existing companies. Under this, securities are traded after being initially offered to the public in the primary market and/or listed on the stock exchange. The stock exchanges are the exclusive centres for trading of securities. It is a sensitive barometer and reflects the trends in the economy through fluctuations in the prices of various securities. It been defined as, "a body of individuals, whether incorporated or not, constituted for the purpose of assisting, regulating and controlling the business of buying, selling and dealing in securities". Listing on stock exchanges enables the shareholders to monitor the movement of the share prices in an effective manner. This assist them to take prudent decisions on whether to retain their holdings or sell off or even accumulate further. However, to list the securities on a stock exchange, the issuing company has to go through set norms and procedures.
- **Commodity Market**

Commodity futures markets largely remain underdeveloped in India. This is in spite of the country's long history of commodity derivatives trade as compared to the US and UK. A major contributor to this fact is the extensive government intervention in the agricultural sector in the post-independence era. In reality, the production and distribution of several agricultural commodities is still governed by the state and forwards as well as futures trading have only been selectively introduced with stringent regulatory controls. Free trade in many commodity items remains restricted under the Essential Commodities Act (ECA), 1955, and forwards as well as future contracts are limited to specific commodity items listed under the Forward Contracts (Regulation) Act (FCRA), 1952.

The typical **structure of commodity futures markets in India** is as follows:



- **ARBITRAG**

“Arbitrage” trading is simply the trading of securities when the opportunity exists during the trading day to take advantage of differences in value between the markets the trades are made within. Arbitrage trading takes place all day long on most days that the markets are active.

Arbitrage is legally allowed. In fact arbitrage is responsible for a large part of the daily volumes on the NSE & BSE exchanges. What mainly takes place in India is called Market Arbitrage Market Arbitrage involves purchasing and selling the same security at the same time in different markets (BSE & NSE) to take advantage of a price difference between the two separate markets. A market arbitrageur would Short sell the higher priced stock and buy the lower priced one. The profit is the spread between the two assets.

SUMMARY OF OUR BUSINESS

Our Company was incorporated at Ahmedabad as Amrapali Capital and Finance Services Limited on May 20, 1994 with the registrar of the company at Gujarat and received certificate of commencement on June 15, 1994.

We are the registered as trading and clearing member of the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), MCX Stock Exchange LIMITED (MCX-SX) and United Stock Exchange of India Limited (USE), Our Company is also registered as a DP with NSDL. The company is providing various financial services under one roof that are well diversified from trading services in Equity, Future & Options segment and Currency derivatives segment.

Our company is engaged in the business of trading of shares, stocks, forex, arbitrage business including Brokerage business, which comprises of equity brokerage (Cash and Derivatives segment), currency brokerage, distribution of financial products, depository and clearing services. Our company has commenced its operation way back in the financial year 1995-96 by obtaining Trading Membership of National Stock Exchange as a Stock Broker. Later on, in the financial year 2002-2003 we have obtained Trading and Clearing Membership of National Stock Exchange of India Limited (NSE) in derivatives exchange / derivatives segment / clearing corporation /clearing house as trading and clearing member for carrying on the activities of dealing in the same.

In the financial year 2005-06 and 2006-07 our company received Multiple Membership of Bombay Stock Exchange Limited as a Stock Broker in cash segment and Trading cum clearing Membership of Bombay Stock Exchange Limited in derivatives exchange / derivative segment/ clearing corporation/clearing house in future and option segment respectively. In the year 2008-09 our company entered into currency derivatives segment by obtaining trading and clearing membership in currency derivative segment of both National Stock Exchange of India Limited (NSE) and MCX stock Exchange limited (MCX-SX).

We have registered ourselves as Depository Participant with National Securities Depository Limited (NSDL) in the financial year 2009-2010 and become Trading cum clearing Member of United Stock Exchange of India Limited in currency derivatives segment/ clearing corporation / clearing house as trading member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house on 2010-11.

Our company has surrendered the clearing membership in future and option segment of BSE (Bombay Stock Exchange Limited) and in currency derivatives segment of United Stock Exchange of India Limited (USE) w.e.f August 3, 2011 and April 13, 2012 respectively.

In the financial year 2012-13 our company registered as depository participant with NCDEX with code number IR/NCDEX/DP/CORP/0124 and DP ID no IN303760 for opening of commodity demat account.

Our company also got registered with Comtrack on March 25, 2013 for opening of commodity demat accounts of clients and mapping them to NCDEX.

We have registered ourselves as Market Maker with BSE SME vide its letter no. MO/CS/AK/ANK/1011/2013 dated May 13, 2013 with the effect from May 13, 2013 bearing registration number SMMM0093413052013.

Location

We operate from the Following locations.

Type of Office	Location
Registered Office	Shop No.3, Ashoka Complex, Ground Floor, B/h Woodland Hotel, Naroli Cross Road, Silvassa
Corporate Office	19/20/21 3 rd Floor, Narayan Chambers, Ashram Road, Ahmedabad – 380009
Branch Offices	
Mumbai	7/10 2nd Floor, Botawala Building, Horniman Circle, Fort, Mumbai – 400023
New Delhi	Municipal No. 4932 Plot No. 62, Dayanand Road, Dariyagunj, New Delhi – 110002

Rajkot	Maruti Arcade,plot no 20, Shri Adarsh Society, Raiya Road, Nr Amrapali Railway Crossing, Rajkot
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Our products and services

- Equity broking (Cash And Derivatives segment),
- Currency broking
- Market Maker
- Depository participant with NSDL and NCDEX (Comtrack)
- Mutual Fund Advisor
- Research
- Other Services

Business strategy

The business strategy has been consumers centric focused on giving value added and quality services to our clients and enable them to get more than satisfactory returns on their investment. We facilitate the investment process for client and also provide value-added services like Research, Stock ideas etc. to make our client investment experience easy and rewarding. We have dedicated personnel for Research Analyst who empowers our client with all the information that need to be taken by the investors to take the right investment decision. We intend to pursue the following strategies in order to consolidate our position and grow further:

Achieve operational efficiencies

We intend to achieve operational efficiencies and maximize revenues through efficient use of technology, focused marketing and optimization of our resources. This would depend on our ability to maintain adequate capital and liquidity to absorb any adversities on broking business, stabilizing the earning profile, improving upon the profitability and adherence to stringent risk management systems.

Strengthen relationship with our clients

We seek to build on existing relationships and also focus on increasing our client base. We plan to expand our business primarily by increasing the client relationships, as we believe that increased client relationships will add stability to our business. We also seek to offer our clients, diversified products and services to increase our per capita revenues by selling different products to the same client.

Increasing geographical presence

We are focused on increasing our concentration in the existing cities as well as expand into smaller cities and towns that have the potential to grow. Currently, we have a presence in the New Delhi, Mumbai and few major cities of Gujarat i.e. Ahmedabad and Rajkot. We propose to expand by increasing the network of our branches and are open to growth through the inorganic route including acquisitions. We believe that this network expansion complemented by client-focused relationship management which will allow us to add new clients and help us to grow our market share.

Summary of Our Financial Information

Annexure I :Restated Summary of Assets and Liabilities

(₹. In Lacs)

	Particulars	As at					
		30 th june 2013	31 st March 2013	31st March 2012	31 st March 2011	31st March 2010	31st March 2009
A	Non-current assets						
a	Fixed assets						
	Tangible Assets	145.68	127.51	158.01	186.74	191.87	163.29
	Capital work-in-progress		-	-	-	-	-
	Intangible Assets		-				
		145.68	127.51	158.01	186.74	191.87	163.29
b	Non-current investments	7.26	7.26	7.26	0.83	0.78	0.78
C	Deferred tax assets (net)		-	-	-	-	-
d	Long-term loans and advances	256.56	256.56	252.20	243.96	240.61	210.77
		409.50	391.33	417.47	431.53	433.26	374.84
B	Current Assets		-				
a	Current Investments		-	-	-	-	-
b	Inventories	1099.39	1099.39	1,974.15	1,784.50	1,414.61	1,910.66
c	Trade receivables	115.19	721.38	2,631.90	823.28	786.49	615.83
d	Cash and cash equivalents	492.21	1335.09	1,971.86	2,932.82	6,012.89	4,870.32
e	Short-term loans and advances	5425.45	4220.30	1,014.91	2,459.05	953.77	841.48
f	Other current assets	16.26	22.79	35.61	39.21	209.16	171.77
		7148.50	7398.95	7,628.43	8,038.86	9,376.92	8,410.06
C	Total assets (C= A + B)	7558.00	7790.28	8,045.90	8,470.39	9,810.18	8,784.90
D	Non-current Liabilities		-				
a	Long-term Borrowings	-	-	8.96	35.83	6.97	32.48
b	Other Long Term Liabilities	13.45	13.45	12.71			

c	Deferred tax Liabilities (net)	-	-	-	-	-	-
d	Long-term Provisions	-	-	-	-	-	-
	Total	13.45	13.45	21.67	35.83	6.97	32.48
E	Current Liabilities						
a	Short-term Borrowings	-	(0.06)	-	1,898.82	-	-
b	Trade payables	2212.27	2444.48	2,709.29	1,257.22	4,404.29	3,237.34
c	Other current Liabilities	40.64	48.90	45.37	26.87	25.50	155.61
d	Short-term provisions	9.59	7.07	10.25	5.25	132.29	133.28
		2262.50	2500.45	2,764.91	3,188.16	4,562.08	3,526.23
F	Total liabilities (F= D + E)	2275.95	2513.90	2,786.58	3,223.99	4,569.05	3,558.71
	Net Worth (C-F)	5282.07	5276.38	5,259.32	5,246.40	5,241.13	5,226.19
	Net Worth represented by						
G	Share Capital	720.10	720.10	720.10	720.10	720.10	720.10
H	Reserves and Surplus						
a	Securities Premium Account	2907.90	2907.90	2,907.90	2,907.90	2,907.90	2,907.90
b	Share Application Money		-	-	-	-	-
c	<i>Net Surplus/(Deficit) in the statement of profit and loss</i>	1654.07	1648.38	1,631.32	1,618.40	1,613.13	1,598.19
		4561.97	4556.28	4,539.22	4,526.30	4,521.03	4,506.09
	Net Worth (G+H)	5282.07	5276.38	5,259.32	5,246.40	5,241.13	5,226.19

Annexure II- Restated Summary Statement of Profit and Losses

(₹ in Lacs)

Particulars	As at					
	30 th june 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Income from continuing operations		-				
Revenue from operations		-				
Trading of shares, brokerage and commission	187.17	1367.12	852.14	584.15	1489.45	(632.81)
Other Income	16.89	589.93	275.62	272.29	479.60	613.52
Total Revenue	204.06	1957.05	1127.76	856.44	1969.05	(19.29)
Expenses		-				
Cost of materials consumed		-	-	-	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	0	874.77	(189.66)	(369.88)	496.04	(1,169.57)
Employee benefits expense	6.94	42.75	50.25	52.44	59.35	82.89
Finance Costs	12.31	134.75	148.22	161.98	116.81	233.91
Other expenses	165.87	837.04	1,039.38	919.90	1,198.95	737.20
Depreciation and amortisation expenses	10.75	42.98	66.45	81.48	76.71	70.31
Total Expenses	195.87	1932.29	1114.64	845.92	1947.86	(45.26)
Restated profit before tax from continuing operations	8.19	24.76	13.12	10.52	21.19	25.97
Tax expense/(income)		-				
Current tax	2.53	7.70	0.20	5.25	6.25	7.25
Deferred tax charge/(credit)		-				
Total tax expense	2.53	7.70	0.20	5.25	6.25	7.25
Restated profit after tax from continuing operations (A)	5.66	17.06	12.92	5.27	14.94	18.72
		-				
Discontinuing operation		-				
Tax Adjustment	-	-	-	-	-	-
Profit before tax from discontinuing operations	-	-	-	-	-	-
Tax expense of		-				

discontinuing operations	-		-	-	-	-
Restated Profit after tax from discontinuing operations (B)	-	-	-	-	-	-
	-	-	-	-	-	-
Restated profit for the year (A + B)	5.66	17.06	12.92	5.27	14.94	18.72

Annexure III- Restated Summary of Cash Flows

(₹ in Lacs)

Particulars	As at					
	30 th june 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A. CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxation from continuing operations (as restated)	8.19	24.76	13.12	10.52	21.19	25.97
Net profit before taxation from discontinued operations (as restated)	-	-	-	-	-	-
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	10.75	42.98	66.45	81.48	76.71	70.31
Interest income	(14.53)	(579.82)	(266.27)	(261.38)	(477.43)	(612.42)
Dividend income	(0.13)	(6.32)	(8.20)	(5.13)	(0.02)	-
Interest expense	12.31	134.61	145.35	156.16	116.81	233.90
Operating profit before working capital changes (as restated)	16.59	383.79	49.55	18.35	262.74	282.24
Movement in Working Capital						
(Increase)/decrease in trade receivables	606.20	1,910.52	(1,808.62)	(36.79)	(170.66)	(200.62)
(Increase)/decrease in Inventories	-	874.76	(189.65)	(369.89)	496.05	(1,169.57)
(Increase)/decrease in loans and advances	(1205.15)	(3,205.39)	1,444.14	(1,505.28)	(112.29)	353.12
(Increase)/decrease in LT loans and advances	-	(4.36)	(8.24)	(3.35)	(29.84)	(46.53)
(Increase)/decrease in other current assets	6.53	12.82	3.60	169.95	(37.39)	32.52
Increase/(decrease) in Longterm Liabilities	-	0.74	12.71	-	-	-
Increase/(decrease) in trade payables & others	(240.47)	(261.28)	1,470.57	(3,145.70)	1,036.84	2,436.95
Cash flow from operations	(816..30)	(1055.98)	874.96	(4909.41)	919.97	1123.63

Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	-	(10.88)	4.80	(132.29)	(7.25)	(412.38)
Net cash generated from operating activities (A)	(816.30)	(1066.86)	879.76	(5041.70)	912.72	711.25
B. CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(28.93)	(12.48)	(37.71)	(139.51)	(106.40)	(103.29)
Sale of Fixed Assets	-	-	-	63.15	1.12	7.67
Purchase/Sale of investments	-	-	(6.44)	(0.05)	-	-
Interest received	14.53	579.82	266.27	261.38	477.43	612.42
Dividend received	0.13	6.32	8.20	5.13	0.02	-
Net cash used in investing activities (B)	(14.27)	573.66	230.32	190.10	372.18	516.80
C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES						
Proceeds from Borrowings	-	(8.96)	(1,925.69)	1,927.68	(25.51)	(86.29)
Proceeds from issue of Share Capital	-	-	-	-	-	-
Share Capital & Share Application Money	-	-	-	-	-	-
Interest paid	(12.31)	(134.61)	(145.35)	(156.16)	(116.81)	(233.90)
Net cash generated from/(used in) financing activities (C)	(12.31)	(143.57)	(2071.04)	1771.52	(142.32)	(320.19)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(842.88)	(636.77)	(960.96)	(3,080.08)	1,142.58	907.86
Cash and cash equivalents at the beginning of the year	1335.09	1,971.86	2,932.82	6,012.90	4,870.32	3,962.46
Cash and cash equivalents at the end of the year	492.21	1335.09	1,971.86	2,932.82	6,012.90	4,870.32

THE ISSUE

Present Issue in terms of the Prospectus:

Issue Details	
Equity Shares offered	25,77,600 Equity Shares of ₹ 10 each
Of which:	
Reserved for Market Makers	1,29,600 Equity Shares of ₹10 each
Net Issue to the Public	24,48,000 Equity Shares of ₹ 10 each
Of which	
Retail Portion	12,24,000 Equity Shares of ₹ 10 each
Non Retail Portion	12,24,000 Equity Shares of ₹10 each
Equity Shares outstanding prior to the Issue	72,01,000 Equity Shares of ₹10 each
Equity Shares outstanding after the Issue	97,78,600 Equity Shares of ₹10 each
Use of Proceeds	For further details please refer chapter titled "Objects of the Issue" beginning on page no 48 of the Prospectus for information on use of Issue Proceeds

Notes

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to section titled 'Issue Structure' beginning on page 154 of the Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 09, 2013 and by the shareholders of our Company vide a special resolution passed pursuant to section 81(1A) of the Companies Act at the EGM held on September 11, 2013.

GENERAL INFORMATION

Our company was incorporated at Ahmedabad as Amrapali Capital and Finance Services Limited on May 20, 1994 with the registrar of the company at Gujarat, Dadra and Nagar Haveli and received certificate of commencement on June 15, 1994.

For further details in relation to the corporate history of our Company, see the section titled “*History and Certain Corporate Matters*” on page no 84.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	Shop No. 3, Ground Floor, Ashoka Complex, B/h. Woodland Hotel, Naroli cross road, Silvassa, Dadra Nagar Haveli-396230. Tel No. :0260-2631329
Corporate Office	19,20,21 Narayan Chambers, 3 rd Floor, B/H Patang Hotel, Ashram Road, Ahmedabad-380 009 Tel No : +91-79- 26575105-06 Fax No : +91 -79-26584313 Web Site :www.amrapali.com Email : grievances@amrapali.com Contact Person : Mr. Nirav Basher, Compliance Officer
Date of Incorporation	May 20, 1994.
Company Identification No.	U65910DN1994PLC000362
Company Category	Company limited By Shares
Registrar Of Company	Gujarat, Dadra and Nagar Haveli, Ahmedabad.
Address of the RoC	RoC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat. Telephone No. +91(79)27437597, Fax No: +91(79) 27438371, Email Id: roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited. SME Platform
Issue Programme	Issue Opens On : [October 15, 2013, Tuesday] Issue Closes On: [October 18, 2013, Friday]

Company Secretary	Ms. Rashmi Aahuja 19,20,21 Narayan Chambers, 3 rd Floor, B/H Patang Hotel, Ashram Road, Ahmedabad-380 009 Tel No : +91-79- 26575105-06 Fax No : +91 -79-26584313 Web Site :www.amrapali.com Email : grievances@amrapali.com
Compliance Officer	Mr. Nirav Basher 19,20,21 Narayan Chambers, 3 rd Floor, B/H Patang Hotel, Ashram Road, Ahmedabad-380 009 Tel No : +91-79- 26575105-06 Fax No : +91 -79-26584313 Web Site :www.amrapali.com Email : grievances@amrapali.com

Note: Investors can contact the Compliance Officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or share certificates, credit of securities in depositories beneficiary account or dispatch of refund order etc.

BOARD OF DIRECTORS OF OUR COMPANY

Our Board Of Directors Consist of:

Name	Designation	DIN No.
Mr. Chirag Thakkar	Managing Director	01993020
Mr. Ashwin Shah	Executive Director	01528910
Mr. Hasmukh Thakkar	Independent Director, Non Executive	00071065
Mr. Shankar Bhagat	Independent Director, Non Executive	01359807
Mr.Saurabh Shah	Independent Director, Non Executive	06583142

For further details pertaining to the education qualification and experience of our Directors, please refer page no 88 of this Prospectus under the chapter titled “Our Management”

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Lead Manager to the Issue	Registrar to the Issue
CORPORATE STRATEGIC ALLIANZ LIMITED SEBI REGN NO: INM 000011260 402, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad – 380 006, Gujarat- India. Tele Fax No: +91- 79- 4002 4670 Email Id: acfsl.sme@csapl.com Investors Grievance Id: investors@csapl.com Website: www.csapl.com Contact Person: Mr. Nevil R. Savjani	SATELLITE CORPORATE SERVICES PVT LTD SEBI REGN NO: INR000003639 B-302, Sony Apartment, Opp. St. Jude’s High School, 90 ft. Road, Off Andheri Kurla Rd, Jarimari, Sakinaka, Mumbai – 400 072, Maharashtra – India Tel: +91-22- 28520461/462, Fax:+91-22- 28511809 Email Id: service@satellitecorporate.com Website: www.shareproservices.com Contact Person: Mr. Michael Monteiro

Bankers to the Company	Bankers to the Company
HDFC BANK 1 st Floor, HDFC Bank House,Opp.Jain Derasar, Navrangpura,Ahmedabad-380 009 Tel : +91 -79-26461224 Email: xerses.davar@hdfcbank.com Contact Person:Mr. Xerses Davar	ALLAHABAD BANK Ground Floor, ACME centre,Shrimali soc., Nr. Naranpura railway crossing, Navarangpura, Ahmedabad-380009. Tel No:079 - 26460354 Fax No: 079 - 26468450 Email: br.spnagar@allahabadbank.in Contact Person:Mr. Kapilkumar K Rana

Legal Advisor to the Issue	Auditor of the Company
Shah and Associates C/2, Muktidham flats, Near New York Tower, S.G Highway, Thaltej Cross Road, Thaltej,Ahmedabad - 380054 Phone No.: 079-26858759 Mobile No.: 09426837114 E-mail: dshahadvocate@gmail.com Contact Person: Mr. Dharmesh Shah	Mehul Thakker & Co. 2 nd Floor,Asha Complex, B/h Navrangpura Police Station, Navrangpura, Ahmedabad-380 009 Tel No: (079)30082501/04 Email: ca.info99@gmail.com Contact Person: Mr. S. P. Thakkar Membership No: 032233 Firm Registration No: 118993W

Bankers to the Issue (Escrow collection Banks)	Refund Banker to the Issue
ICICI BANK LIMITED Capital Markets Division, 1st floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai--400020 Contact person: Mr. Anil Gadoo	ICICI BANK LIMITED Capital Markets Division, 1st floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai--400020 Contact person: Mr. Anil Gadoo

Independent Auditor having a valid peer Review certificate
M/s. V J Amin & Co. Chartered Accountants 506, Gayatri Chambers, R C Dutt Road, Alkapuri, Vadodra-390007 Tel No: 0265-2343498 Email: 0265-2343498 Contact Person: Dharmsinh T Keshrani Membership No: 047553 Firm Registration No: 100335W

SELF CERTIFIED SYNDICATE BANKS

The SCSBs as per updated list available on SEBI's website (www.sebi.gov.in) Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Corporate Strategic Allianz Limited is the lead Manager to the issue, all the responsibility of the issue will be managed by them.

CREDIT RATING

As this is an issue of Equity Shares there is no credit rating for this Issue.

TRUSTEE

As this is an issue of Equity Shares, the appointment of Trustees is not required.

APPRAISAL AND MONITORING AGENCY

In terms of sub regulation (1) Regulation 16 of SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency in relation to the issue.

However, as per the Clause 52 of the SME Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the Corporate Governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated October 09, 2013. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of	Amount	% of the Total
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	shares underwritten	Underwritten (₹ in Lacs)	Issue Size Underwritten
Corporate Strategic Allianz Limited 402, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad – 380 006.	24,48,000	2448.00	94.97%
Khajanchi & Gandhi Stock Broking Private Limited 201, Hi-Scan House, Nr. Mithakhali Underbridge, Navrangpura, Ahmedabad - 380009	1,29,600	129.60	5.03 %
Total	25,77,600	2577.60	100.00%

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into a tripartite agreement dated October 09, 2013, with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

Khajanchi & Gandhi Stock Broking Private Limited

201, Hi-Scan House,
Nr. Mithakhali Underbridge,
Navrangpura, Ahmedabad -
380009

Tel: +079-26405725/ 40016900

Fax: +079-26408569

Email: kgsbpl@yahoo.com

Website: www.khajanchiandgandhi.com

Contact Person: Mr. Darshan Shah

SEBI Registration No: INB011210730

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

- 5) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 6) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 7) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 8) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

- 9) **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 10) **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

- 11) **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

- 12) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Upto ₹ 20 Crore	25%	24%
₹ 20 Crore To ₹ 50 Crore	20%	19%
₹ 50 Crore To ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Prospectus, is set forth below:

(₹ In lacs, except shares data)

Sr. No	Particulars	Aggregate Nominal Value (₹)	Aggregate Value (₹) in lacs at issue Price
A.	AUTHORISED EQUITY CAPITAL		
	1,00,00,000 Equity Shares of ₹ 10/- each	1,000.00	
B.	ISSUED, SUBSCRIBED & PAID -UP CAPITAL BEFORE THE ISSUE		
	7,201,000 Equity Shares of ₹ 10/- each	720.10	
C.	PRESENT ISSUE IN TERMS OF THIS PROSPECTUS#		
	25,77,600 Equity Shares of ₹ 10/- each at a premium of ₹ 90 per Share	257.76	2577.60
	Which Comprises		
(I)	Reservation for Market Maker(s) 1,29,600 Equity Shares of ₹ 10/- each at a premium of ₹ 90 per Share will be available for allocation to Market Maker	12.96	129.60
(II)	Net Issue to the Public 24,48,000 Equity Shares of ₹ 10/- each at a premium of ₹ 90 per Share	244.80	2448.00
	Of Which		
(I)	12,24,000 Equity Shares of ₹ 10/- each at a price of ₹ 90/- Equity Share shall be available for allocation for Investors applying for a value of upto ₹ 2 lacs	122.40	1224.00
(II)	12,24,000 Equity Shares of ₹ 10/- each at a price of ₹ 90/- Equity Share shall be available for allocation for Investors applying for a value of above ₹ 2 lacs	122.40	1224.00
D.	ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE PRESENT ISSUE		
	97,78,600 Equity Shares of ₹ 10/- each	977.86	
E.	SHARE PREMIUM ACCOUNT		
	Share Premium account before the Issue		2907.90
	Share Premium account after the Issue		5227.74

Note:

#The present issue of 25,77,600 equity shares in terms of this Prospectus has been authorised by a resolution of our Board dated September 09, 2013 and by a special resolution passed pursuant to Section 81(1A) of the Companies Act, 1956 at the EGM by the shareholders of our Company held on September 11, 2013.

Class of Shares

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only.

Changes in Authorized Share Capital:

Sr. No.	Particulars of Increase / Modification	Cumulative No. of Shares	Cumulative Authorised Capital (₹ in Lacs)	Date of Meeting	Whether EGM/AGM
1	On Incorporation	2,00,000	20.00	-	-
2	Increase from ₹ 20 Lacs to ₹ 100 Lacs	10,00,000	100.00	June 18, 1994	EGM
3	Increase from ₹ 100 Lacs to ₹ 200 Lacs	20,00,000	200.00	March 1, 2001	EGM
4	Increase from ₹ 200 Lacs to ₹ 375 Lacs	37,50,000	375.00	November 28, 2001	EGM
5	Increase from ₹ 375 Lacs to ₹ 475 Lacs	47,50,000	475.00	August 5, 2004	EGM
6	Increase from ₹ 475 Lacs to ₹ 675 Lacs	67,50,000	675.00	April 1, 2006	EGM
7	Increase from ₹ 675 Lacs to ₹ 750 Lacs	75,00,000	750.00	March 10, 2007	EGM
8	Increase from ₹ 750 Lacs to ₹ 850 Lacs	85,00,000	850.00	October 29, 2007	EGM
9	Increase from ₹ 850 Lacs to ₹ 1000 Lacs	1,00,00,000	1000.00	March 18, 2013	EGM

Notes to the Capital Structure:

1. Share Capital History:

Our existing Share Capital has been subscribed and allotted as under:

Date of Allotment/ Fully Paid Up	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Cumulative Number of Equity Shares	Cumulative paid up share capital (₹ in Lacs)	Cumulative Share Premium (₹ in Lacs)
May 20, 1994	70	10	10	Cash	70	0.007	NIL
July 6, 1994	3,80,000	10	10	Cash	3,80,070	38.00	NIL
May 25, 1995	5,19,930	10	10	Cash	9,00,000	90.00	Nil
June 29, 1995	1,00,000	10	10	Cash	10,00,000	100.00	Nil
March 28, 2001	9,50,000	10	10	Cash	19,50,000	195.00	Nil
December 06, 2001	18,00,000	10	10	Cash	37,50,000	375.00	Nil
August 2, 2004	10,00,000	10	10	Cash	47,50,000	475.00	Nil
October 12, 2006	15,00,000	10	40	Cash	62,50,000	625.00	450.00
January 24, 2007	2,50,000	10	200	Cash	65,00,000	650.00	925.00
October 31, 2007	4,01,000	10	300	Cash	69,01,000	690.10	2087.90
March 4, 2008	50,000	10	200	Cash	69,51,000	695.10	2182.90
June 20, 2008	2,50,000	10	300	Cash	72,01,000	720.10	2907.90

2. Details of Promoters contribution locked in for three years

Pursuant to the provisions Regulation 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Capital of the Company held by Promoters shall be locked in for a period of three years from the date of Allotment of Equity Shares in the Issue. The details of such lock in are given below

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Face Value (₹)	Transfer Price (₹)	% of total pre and post issue capital		Lock in Period
(i)	Mr. Monal Thakkar							
September 21, 2001	Transfer	Cash	100000	10	10	1.39	1.02	3 years
September 21, 2001	Transfer	Cash	200000	10	10	2.78	2.05	3 years
September 21, 2001	Transfer	Cash	100000	10	10	1.39	1.02	3 years
September 21, 2001	Transfer	Cash	100000	10	10	1.39	1.02	3 years
September 21, 2001	Transfer	Cash	70000	10	10	0.97	0.72	3 years
July 06, 2007	Transfer	Cash	60000	10	10	0.83	0.61	3 years
Sub-Total (i)			630000			8.75	6.44	
(ii)	Mr. Chirag Thakkar							
August 2, 2004	Allotment	Cash	187500	10	10	2.60	1.92	3 years
December 28, 2005	Transfer	Cash	125000	10	10	1.74	1.28	3 years
December 28, 2005	Transfer	Cash	125000	10	10	1.74	1.28	3 years
December 28, 2005	Transfer	Cash	125000	10	10	1.74	1.28	3 years
October 31, 2006	Transfer	Cash	600000	10	10	8.33	6.14	3 years
November 30, 2006	Transfer	Cash	190000	10	10	2.64	1.94	3 years
Sub-Total (ii)			1352500	10		18.78	13.83	
Grand Total (i + ii)			1982500			27.53	20.27	

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20.27% of the post-Issue Equity Share Capital of our Company shall be locked in by our Promoters for a period of three (3) years from the date of Allotment in the Public Issue. (“**minimum Promoters’ contribution**”).

The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters for the lock-in of 19, 82,500 Equity Shares for a period of three years from the date of Allotment in the Issue.

We confirm that the minimum Promoters’ contribution of 20.27% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;

- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue
- Pledged equity shares with any creditor held by Promoters.
- Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
- The share certificates for the Equity Shares in physical form, which are subject to lock-in, shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories.

3. Equity Shares locked-in for one year

In addition to 20.27% of the post-Issue shareholding of our Company locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e 52,18,500 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering.

4. Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

5. Details of shareholding pattern of Our Company, before the issue.

The shareholding pattern of our Company before the issue as prescribed under clause 37 of the Listing Agreement is mentioned below:

Category Code (I)	Category of Shareholder (II)	No. of Shareholders (III)	Total of No. of shares (IV)	No. of Shares held in Dematerialized form (V)	Total Shareholding as a % of total no of shares		Shares pledged or otherwise encumbered	
					As a %	As a %	No. of	As a %

					of (A+B) (VI)	of (A+B+C) (VII)	Shares (VIII)	(IX)= (VIII) /(IV)* 100
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/HUF	11	50,01,000	50,01,000	69.46	69.46	Nil	Nil
(b)	Central Government/ State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	1	50,000	50,000	0.69	0.69	Nil	Nil
(d)	Financial Institutions/Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(1)	12	50,51,000	50,51,000	70.15	70.15	Nil	Nil
(2)	Foreign						Nil	Nil
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	12	50,51,000	50,51,000	70.15	70.15	Nil	Nil
(B)	Public Shareholding							
(1)	Institutions						Nil	Nil
(a)	Mutual Funds/UTI	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Financial Institutions/Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Central Government/State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Insurance companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B) (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(2)	Non Institutions							
(a)	Bodies Corporate	5	20,50,000	Nil	28.47	28.47	Nil	Nil
(b)	Individuals-	2	1,00,000	Nil	1.38	1.38	Nil	Nil
	(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh.							
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh							
(c)	Any other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(2)	7	21,50,000	Nil	29.85	29.85	Nil	Nil

	Total Public Shareholding (B)= (B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (A)+(B)	19	72,01,000	50,51,000	100.00	100.00	Nil	Nil
(C)	Shares held by Custodians and against which the depository receipts have been issued	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(i) Promoter and Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(ii) Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A)+(B)+(C)	19	72,01,000	50,51,000	100.00	100.00	Nil	Nil

6. The shareholding pattern of our Company before and after the Issue:

Sr. No.	Name of Shareholder	Pre-issue		Post-issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
A. Promoter					
1.	Mr. Monal Thakkar	1900000	26.39	1900000	19.43
2.	Mr. Chirag Thakkar	1352500	18.78	1352500	13.83
	Total (A)	3252500	45.17	3252500	33.26
B. Promoter Group					
3.	Mrs. Veenaben Thakkar	455000	6.33	455500	4.66
4.	Mr. Sunny Thakkar	437500	6.08	437500	4.47
5.	Mr. Yashwant Thakkar	320000	4.44	320000	3.27
6.	Mrs. Reetaben Thakkar	205000	2.86	205000	2.10
7.	Mr. Rashmikanth Thakkar	100000	1.39	100000	1.02
8.	Rashmikanth Thakkar (H.U.F.)	70000	0.97	70000	0.72
9.	Yashwant Thakkar (H.U.F.)	60000	0.83	60000	0.61
10.	Mrs. Dharti M.Thakkar	51000	0.70	51000	0.52
11.	Amrapali Fincap Private Limited	50000	0.69	50000	0.51
12.	Mrs. Kamlaben A. Thakkar	50000	0.69	50000	0.51
	Total (B)	1798500	24.98	1798500	18.39
C. Others					
13.	Mr. Hasmukh Thakkar	50000	0.69	50000	0.51
14.	Mr. Ashwin P. Shah	50000	0.69	50000	0.51
15.	Sun and Shine Worldwide Limited	800000	11.11	800000	8.18
16.	Gagandeep Credit Capital Private Limited	500000	6.94	500000	5.11
17.	Sarang Chemicals Limited	500000	6.94	500000	5.11
18.	Lakshya Securities And Credit Holdings Limited	200000	2.79	200000	2.05
19.	Beauty Investment private Limited	50000	0.69	50000	0.51
	Public			2577600	26.36
	Total (C)	2150000	29.85	4727600	48.35
	Total (A + B)	7201000	100.00	9778600	100.00

7. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

8. Our Company has not issued any Equity Share for consideration other than cash. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the

Companies Act, 1956.

9. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
10. our Company has not issued any Equity Shares during a period of one year preceding the date of the Prospectus at a price lower than the Issue price
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
12. During the past six months immediately preceding the date of filing Prospectus, there are no transactions in our Equity Shares, which have been purchased/(sold) by our Promoters, their relatives and associates, persons in Promoter Group [as defined under sub clause (zb) sub regulation (1) Regulation 2 of SEBI (ICDR) Regulations] or the directors of the company which is a promoter of the Company and/or the Directors of the Company.
13. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Prospectus.
14. Our Company, our Promoters, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Prospectus.
15. There are no safety net arrangements for this public issue.
16. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Issue paid-up capital is locked in for 3 years.
17. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
18. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
19. As per RBI regulations, OCBs are not allowed to participate in this Issue.

20. Particulars of top ten shareholders:

(a) Particulars of the top ten shareholders as on the date of the Prospectus:

Sr. No	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mr. Monal Thakkar	19,00,000	26.39
2.	Mr. Chirag Thakkar	13,52,500	18.78

3.	Sun and Shine Worldwide Limited	8,00,000	11.11
4.	Gagandeep Credit Capital Private Limited	5,00,000	6.94
5.	Sarang Chemicals Limited	5,00,000	6.94
6.	Ms. Veenaben Thakkar	4,55,000	6.33
7.	Mr. Sunny Thakkar	4,37,500	6.08
8.	Mr. Yashwant Thakkar	3,20,000	4.44
9.	Ms. Reetaben Thakkar	2,05,000	2.86
10.	Lakshya Securities And Credit Holding Limited	2,00,000	2.79
Total		66,70,000	92.66

(b) Particulars of top ten shareholders ten days prior to the date of the Prospectus:

Sr. No	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mr. Monal Thakkar	19,00,000	26.39
2.	Mr. chirag Thakkar	13,52,500	18.78
3.	Sun and Shine Worldwide Limited	8,00,000	11.11
4.	Gagandeep Credit Capital Private Limited	5,00,000	6.94
5.	Sarang chemicals Limited	5,00,000	6.94
6.	Ms. Veeneben Thakkar	4,55,000	6.33
7.	Mr. Sunny Thakkar	4,37,500	6.08
8.	Mr. Yashwant Thakkar	3,20,000	4.44
9.	Ms. Reetaben Thakkar	2,05,000	2.86
10.	Lakshya Securities And Credit Holding Limited	2,00,000	2.79
Total		66,70,000	92.66

(c) Particulars of the top ten shareholders two years prior to the date of the Prospectus

Sr. No	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mr. Monal Thakkar	19,00,000	26.39
2.	Mr. chirag Thakkar	13,52,500	18.78
3.	Sun and Shine Worldwide Limited	8,00,000	11.11
4.	Gagandeep Credit Capital Private Limited	5,00,000	6.94
5.	Sarang chemicals Limited	5,00,000	6.94
6.	Ms. Veeneben Thakkar	4,55,000	6.33
7.	Mr. Sunny Thakkar	4,37,500	6.08
8.	Mr. Yashwant Thakkar	3,20,000	4.44
9.	Ms. Reetaben Thakkar	2,05,000	2.86
10.	Lakshya Securities And Credit Holding Limited	2,00,000	2.79
Total		66,70,000	92.66

21. Our Company has not raised any bridge loan against the proceeds of this Issue.
22. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
23. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
24. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
25. Our Promoters and the members of our Promoter Group will not participate in this Issue.
26. Our Company has not made any public issue since its incorporation.
27. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of

the Prospectus.

- 28.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
- 29.** None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page no 88 of the Prospectus.
- 30.** We have 19 shareholders as on the date of filing of the Prospectus

SECTION IV- PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of this Issue are as follows:-

1. Enhancement of margin money maintained with the Exchanges.
2. General Corporate Purpose.
3. To meet the issue expenses

In addition, our Company expects to receive the benefits of listing the Equity Shares on the SME Platform of BSE.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Requirement of Funds

The funds raised from this Issue shall be utilized for the following purposes:

Sr. No.	Particulars	Amount (₹ in Lacs)
1.	Enhancement of margin money maintained with the Exchanges	2150.00
2.	General corporate purpose	326.40
3.	Issue expenses	101.20
	Total	2577.60

Means of Finance

The entire requirement of funds is proposed to be funded through the proceeds of the Issue.

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Public Issue Proceeds	2577.60
	Total	2577.60

We confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount proposed to be raised from the issue.

The fund requirements and the intended use of the proceeds of this issue have not been appraised by any external agencies and as such all the fund requirements are based on management estimates. We may have to revise our funding requirements and utilization schedules depending on variety of factors including but not limited to the overall economic environment, capital markets scenarios and stability, changes in strategy, financial condition and the overall management perception of risk in the market.

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Detailed Breakup of the Fund Requirement.

1. Enhancement of margin money maintained with the exchanges

Part of the Issue Proceeds will be used towards both long term working capital in the form of maintaining adequate levels of margin with the stock exchanges by the company. The margin requirements with the stock exchanges are determined by the stock exchanges on the basis of trading volumes, market volatility and to extent of open interests in respect of equity index/ stock futures. Such margin requirements comprise of "initial margin" representing initial margin paid and "exposure margin" and additional margin over and above the initial margin, intra-day margin etc. for entering into contracts for equity, equity index/ stock futures, which are released on final settlement and/or squaring up of underlying contracts. Further, equity index/ stock futures are marked-to-market on a daily basis; in which case, "mark-to-market margin" is required to be provided, representing the net amount paid or received on the basis of movement in the prices of index/ stock futures till the balance sheet date. While the initial margin and the exposure margin with the stock exchanges/ professional clearing members can be created by way of deposit of either stock or bank guarantees or fixed deposits with banks or cash, however, the marked-to-market margin is typically created by way of deposit of cash. We expect our trading volumes to increase leading to additional margin capital requirements for our Company. Provided below are the details of the levels of initial margin, margin deposits and marked-to-market margin maintained by us in the last three financial years:

We propose to deploy ₹ 2150.00 lacs out of the proceed in the Fiscal 2014 year towards enhancing the margins with the exchanges through either bank guarantees or fixed deposits with banks or cash.

Such Margin infusion will enable us to undertake more business in equities and derivatives markets. This will enable us to strengthen the balance sheet and undertake more business in equity and derivatives market.

Margin Details

Our Margin constitutes of Cash, FDR and Shares segments and margin details of last three years are set as below:

(₹ in Lacs)			
Particulars	2009-10	2010-11	2011-12
Cash	450	720	300
FDR	4105	1680	1451
Shares	4157	2892	1644
Total	8713	5292	3396

2. General Corporate Purpose

The application of the Issue proceeds for general corporate purposes would include but not be restricted to financing our working capital requirements, capital expenditure, deposits for renting or otherwise acquiring business premises, setting-up of new services, brand building exercises, additional market making expenses or deposits, obtaining new or enabling accreditations and licenses, strengthening of our marketing capabilities, meeting exigencies etc. which we in the ordinary course of business may incur. Our Management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to use ₹ 326.40 Lacs for general corporate purposes.

3. To meet the issue expenses

The expenses for this Issue include issue management fees, printing and distribution expenses, legal fees, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed ₹ 101.20 Lacs. The breakup of the same is as under:

(₹ in Lacs)		
Sr. No.	Particulars	Amount (₹ in Lacs)

1	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	50.00
2	Printing and distribution of issue stationery	10.00
3	Advertising and marketing expenses	10.00
4	Regulatory fees and expenses	10.00
5	Other Expenses	21.20
	Total	101.20

Schedule of Implementation

All funds raised through this issue, are proposed to be utilized in the FY 2013-14 itself.

Deployment of Funds:

Our Company has incurred the following expenditure towards issue expenditure upto August 31, 2013. M/s Mehul Thakker & co, the Statutory Auditor of the company vide certificate dated August 31, 2013 has certified the expenditure.

Sr. No	Particulars	Amount Deployed August 31, 2013
1.	Public Issue Expenses	2,55,850

Monitoring of Utilization of Funds

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

The management of the Company will monitor the utilization of funds raised through this public issue. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Interim Use of Funds

Pending utilization for the purposes described above, we intend to temporarily invest the funds from the Issue in high quality interest bearing liquid instruments including mutual funds and other financial products, deposits with banks and investments in such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments and rated debentures, as may be approved by the Board of Directors or committee thereof. Such investments would be in accordance with the investment policies approved by our Board from time to time and at the prevailing commercial rates at the time of investment. No part of the Issue proceeds will be paid to our Promoters, Directors, key management personnel or Promoter Group Company/entity.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled „Risk Factors“ and Financial Information on pages 10 and 105 respectively, of the Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

1. Experienced Management Team backed by Experienced Promoters
2. Membership of all major equity and derivative Exchanges of the country
3. Multiple product offerings make us a “one stop” shop
4. Continuous Business Possibilities due to synergies with Group Companies

For details of Qualitative factors please refer to the paragraph “Our Competitive Strengths” in the chapter titled “Our Business” beginning on page 71 of the Prospectus.

Quantitative Factors

1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (₹)	Weightage
Fiscal 2013	0.24	3
Fiscal 2012	0.18	2
Fiscal 2011	0.07	1
Weighted Average	0.19	
* June 30, 2013	0.08	

* Not annualized

Note

Basic earnings per share (₹) = Net profit after tax (as restated) attributable to shareholders divided by Weighted average number of equity shares outstanding during the year.

The face value of each Equity Share is ₹ 10.

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 100:

Particulars	P/E at the Issue Price (₹ 100)
a. Based on 2012-13 EPS of ₹ 0.24	416.67
b. Based on weighted average EPS of ₹ 0.19	521.74

3. Return on Net Worth

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2013	0.32	3
Year ended March 31, 2012	0.25	2
Year ended March 31, 2011	0.10	1
Weighted Average	0.26	

* Not annualized

Return on net worth (%) = Net Profit after tax as restated / Net worth at the end of the year

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

The minimum return on increased net worth required maintaining pre-Issue EPS for the Fiscal 2013:

- A) Based on Basic and Diluted EPS of ₹ 0.24

a. At the Issue Price of ₹ 100 - **0.30 %** based on restated financial statements.

B) Based on Weighted Average EPS of ₹ 0.19

a. At the Issue Price of ₹ 100 – **0.24 %** based on restated financial statements.

5. Net Asset Value per Equity Share

Particular	Amount (in ₹)
As of March 31, 2013	73.27
As on June 30, 2013	73.35
NAV per Equity Share after the Issue	80.38
Issue Price per Equity Share	100

Net asset value per share (₹) = Net Worth at the end of the Year /Total number of equity shares outstanding at the end of the year

5. Comparison of Accounting Ratios

Particulars	Face Value (₹)	Total Revenue	EPS (₹)	P/E Ratio*	RONW (%)	NAV (₹)
Amrapali Capital and Financial Services Limited **	10	1957.05	0.24	416.67	0.32	73.27
Peer Group[#]						
DB (International) Stock Brokers Limited	2	1410.72	1.90	51.11	20.66	9.22
Religare Enterprise Limited	10	22081.83	(51.50)	-	(35.34)	144.12

Standalone

The figures of the Peer Group Company is taken from Annual Report for the fiscal year 2012-13 filed on BSE website- www.bseindia.com.

* P/E based on closing market price of September 10, 2013 is taken into consideration from BSE website (www.bseindia.com).

**Based on March 31, 2013 as per Restated financial statements.

The peer group identified is broadly based on the service lines that we are into.

The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is 10 times the face value.

The Issue Price of ₹ 100 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Our Business" and "Financial Information" beginning on page no 10, 70 and 105 respectively of the Prospectus.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Amrapali Capital & Finance Services Limited,
19-20-21, 3rd Floor, Narayan Chambers,
B/h. Patang Hotel, Ashram Road,
Ahmedabad-380 009.

Dear Sir,

Statement of Possible Tax Benefits Available to the Company and its shareholders

We hereby report that the enclosed statement provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income tax Act, 1961 and Wealth Tax Act, 1957 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company faces in the future, the Company may or may not choose to fulfill.

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

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

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

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

For, Mehul Thakkar & Co.
Chartered Accountants

S.P.Thakker
(Partner)
M No. : 032233
ICAI Firm Registration No:118993W

Place: Ahmedabad
Date: February 15, 2013

STATEMENT OF TAX BENEFITS

(i) SPECIAL TAX BENEFITS

There are no special tax benefits available to the company and shareholders of the Company.

(ii) GENERAL TAX BENEFITS

The Income Tax Act, 1961 and Wealth Tax Act, 1957 presently in force in India, make available the following general tax benefits to companies and to their shareholders. Several of these benefits are dependant on the companies or their shareholders fulfilling the conditions prescribed under the relevant provisions of the statute.

I. BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT):

The Company will be entitled to deduction under the sections mentioned hereunder from its total income chargeable to Income Tax.

1. As per Section 10(34) of the Act, income earned by the Company by way of dividend income from another domestic company referred to in section 115-O of the act is exempt from tax.
2. As per section 10(35) of the Acts, the following income will be exempt from tax in the hands of the Company:
 - a. Income received in respect of the units of a Mutual Fund specified under section 10(23D); or
 - b. Income received in respect of units from the Administrator of the specified undertaking; or
 - c. Income received in respect of units from the specified company.
3. As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the Company. However, income by way of long term capital gain shall not be reduced in computing the book profits for the purposes of computation of minimum alternate tax ("MAT") under section 115JB of the I.T. Act.
4. Under section 32 of the Act, the Company is entitled to claim depreciation subject to the conditions specified therein, at the prescribed rates on its specified assets used for its business.
5. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rupees Fifty lacs in a year.
6. As per section 111A of the Act, short term capital gains arising to the Company from the sale of equity shares or units of an equity oriented mutual fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Further, short term gains as computed above that are not liable to STT would be subject to tax at a rate of 30% (plus applicable surcharge and education cess) in case of a company.
7. In accordance with section 112 of the Act, the tax on capital gains on transfer of listed securities or units or zero coupon bonds where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of: -
 - A. 20% of the capital gains as computed after indexation of the cost; or
 - B. 10% of the capital gains as computed without indexation.
8. The amount of tax paid under section 115 JB by the Company for any assessment year beginning on or after 1st April, 2010 will be available as credit to the extent specified in section 115 JAA for ten years succeeding the assessment year in which MAT credit becomes allowable in accordance with the provisions of Section 115 JAA.
9. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against income from any other source in the subsequent assessment years as per section 32(2) subject to the provisions of section 72(2) and section 73(3) of the Act.

10. Under Section 35 (1) (ii) and (iii) of the Act, in respect of any sum paid to a scientific research association which has as its object the undertaking of scientific research, or to any approved university, College or other institution to be used for scientific research or for research in social sciences or statistical scientific research to the extent of a sum equal to one and one fourth times the sum so paid. Under Section 35 (1) (iia) of the Act, any sum paid to a company, which is registered in India and which has as its main object the scientific research and development, and being approved by the prescribed authority and such other conditions as may be prescribed, shall also qualify for a deduction of one and one fourth times the amount so paid.
11. Under Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.
12. As per the provisions of section 90, for taxes on income paid in Foreign Countries with which India has entered into Double Taxation Avoidance Agreements (Tax Treaties from projects/activities undertaken thereat), the Company will be entitled to the deduction from the India Income-tax of a sum calculated on such doubly taxed income to the extent of taxes paid in Foreign Countries. Further, the company as a tax resident of India would be entitled to the benefits of such Tax Treaties in respect of income derived by it in foreign countries. In such cases the provisions of the Income tax Act shall apply to the extent they are more beneficial to the company.

Section 91 provides for unilateral relief in respect of taxes paid in foreign countries.

II. TO MEMBERS

A. RESIDENT MEMBERS

1. As per section 10(34) of the Act, income earned by the resident member by way of dividend income from the domestic company referred to in section 115-O of the act is exempt from tax.
2. As per section 10(38) of the Act, long term capital gains arising to the resident member from the transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of such members.
3. As per section 111A of the Act, short term capital gains arising to the resident members from the sale of equity shares or units of an equity oriented mutual fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15%.
4. In accordance with section 112 of the Act, the tax on capital gains on transfer of listed securities or units or zero coupon bonds where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of: -
 - A. 20% of the capital gains as computed after indexation of the cost; or
 - B. 10% of the capital gains as computed without indexation.
5. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rupees Fifty lacs in a year.
6. As per the provisions of section 54F of the Act and subject to the conditions specified therein, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family will be exempt from tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years.
7. Under Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in

respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.

8. The assessee is not entitled to a deduction in respect of the Security Transaction Tax ('STT') paid by him against the income chargeable under the head 'Capital Gains'.
9. No income tax is deductible at source from income by way of capital gains under the present provisions of the Act in case of residents

B. Non-Resident Indian Members

1. As per section 10(34) of the Act, income earned by way of dividend income from the domestic company referred to in section 115-O of the act is exempt from tax.
2. As per section 10(38) of the Act, long term capital gains arising from the transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, will be exempt.
3. As per section 111A of the Act, short term capital gains arising from the sale of equity shares or units of an equity oriented mutual fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15%.
4. In accordance with section 112 of the Act, the tax on capital gains on transfer of listed securities or units or zero coupon bonds, acquired in Indian currency, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be lower of:-
 - a) 20% of the capital gains as computed after indexation of the cost;
 - b) 10% of the capital gains as computed without indexation.
5. As per the first proviso to section 48 of the Act, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, will be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost indexation benefit will not be available in such a case.
6. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rupees Fifty lacs in a year.
7. As per the provisions of section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) and subject to the condition specified therein arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family will be exempt from tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years.
8. In accordance with section 115E, income from investment or income from long-term capital gains on transfer of assets other than specified asset shall be taxable at the rate of 20%. Income by way of long term capital gains in respect of a specified asset (as defined in section 115C (f) of the act), shall be chargeable at 10%.
9. In accordance with section 115F, subject to the conditions and to the extent specified therein, long-term capital gain arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which securities transaction tax is not payable, shall be exempt from capital gains tax, if the net consideration is invested within six months of the date of transfer in any specified asset.
10. In accordance with section 115G, it is not necessary for a Non resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange, and the tax has

been deducted at source from such income under the provisions of Chapter XVII-B of the Income-tax Act.

11. In accordance with section 115-I, where a Non Resident Indian opts not to be governed by the provision of chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Income-tax Act.
12. As per section 115H of the Act, where a non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
13. Under Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.
14. Under the provisions of Section 195 of the Income Tax Act, any income (not being an income chargeable under the head 'Salaries'), payable to non residents, may be eligible to the provisions of withholding tax, subject to the tax treaty. Accordingly income tax may have to be deducted at source in the case of a non-resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.
15. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the nonresident.

OTHER NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND FOREIGN VENTURE CAPITAL INVESTORS):

1. Under section 10 (34) of the Act, income earned by way of dividend (Interim or final) from domestic Company referred to in section 115-O of the Act is exempt from income tax in the hands of the shareholders.
2. Under Section 10(32) of the Act, any income of minor children clubbed in the total income of the parent under section 64(1 A) of the Act will be exempted from tax to the extent of Rs.1,500/- per minor child.
3. As per section 111A of the Act, short term capital gains arising from the sale of equity shares or units of an equity oriented mutual fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15%.
4. In accordance with section 112 of the Act, the tax on capital gains on transfer of listed securities or units or zero coupon bonds, acquired in Indian currency, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be lower of:-
 - a) 20% of the capital gains as computed after indexation of the cost;
 - b) 10% of the capital gains as computed without indexation.
5. As per the first proviso to section 48 of the Act, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, will be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost indexation benefit will not be available in such a case.
6. Under section 10(38) of the Act, long term capital gains arising out of sale of equity shares or units of equity oriented fund will be exempt from tax provided that the transaction of sale of such equity shares or units is chargeable to STT.
7. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a

long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rupees fifty lacs in a year.

8. As per the provisions of section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family will be exempt from tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years.
9. Under Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.
10. As per Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the relevant tax treaty to the extent they are more beneficial to the non-resident.
11. Under the provisions of Section 195 of the Income Tax Act, any income (not being an income chargeable under the head 'salaries') which is chargeable under the provisions of the Act payable to non residents, is subject to withholding tax as per the prescribed rate in force. Accordingly income tax may have to be deducted at source in the case of a non-resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.

16 FOREIGN INSTITUTIONAL INVESTORS (FIIS)

1. As per section 10(34) of the Act, income earned by way of dividend income from the domestic company referred to in section 115-O of the act is exempt from tax.
2. As per section 10(38) of the Act, long term capital gains arising from the transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, will be exempt.
3. As per section 115 AD read with section 111A of the Act, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15%.
4. As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the provisions of section 10(38) of the Act at the following rates:
Long term capital gains-10 %
Short term capital gains (other than referred to in section 111A) - 30%
5. In case of long term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.
6. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.
7. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rupees Fifty lacs in a year.

17 BENEFITS AVAILABLE TO MUTUAL FUNDS

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 there under, Mutual Funds set up by

public sector banks or public financial institutions or authorized by the Reserve Bank of India, would be exempt from income tax subject to the conditions as the Central Government may notify. However, the mutual funds shall be liable to pay tax on distributed income to unit holders under section 115 R of the act.

18 BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS

As per the provisions of section 10(23FB) of the Act, any income of Venture Capital Companies / Funds (set up to raise funds for investment in a venture capital undertaking registered and notified in this behalf) registered with the Securities and Exchange Board of India, would be exempt from income tax, subject to the conditions specified therein. However, the exemption is restricted to the Venture Capital Company and Venture Capital Fund set up to raise funds for investment in a Venture Capital Undertaking, which is engaged in the business as specified under section 10(23FB)(c). However, the income distributed by the Venture Capital Companies/ Funds to its investors would be taxable in the hands of the recipients.

19 BENEFITS AVAILABLE UNDER THE WEALTH-TAX ACT, 1957

Shares of the company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957. Hence, no wealth tax will be payable on the market value of shares of the company held by the shareholder of the company.

NOTES:

- i) In the above statement only basic tax rates have been enumerated and the same is subject to surcharge and education cess, wherever applicable.
- ii) 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.
- iii) All the above benefits are as per the current tax laws (including amendments made by the Finance Act 2012), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of the above.
- iv) Several of these benefits are dependent on the company and its shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.
- v) This statement is only extended 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 tax consequences, being based on all the facts, in totality, of the investors, each investor is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its investments in the shares of the Company.

For, Mehul Thakkar & Co.
Chartered Accountants

S.P.Thakker
(Partner)
M No. : 032233
ICAI Firm Registration No:118993W

Place :Ahmedabad
Date: February 15, 2013

SECTION V- ABOUT US

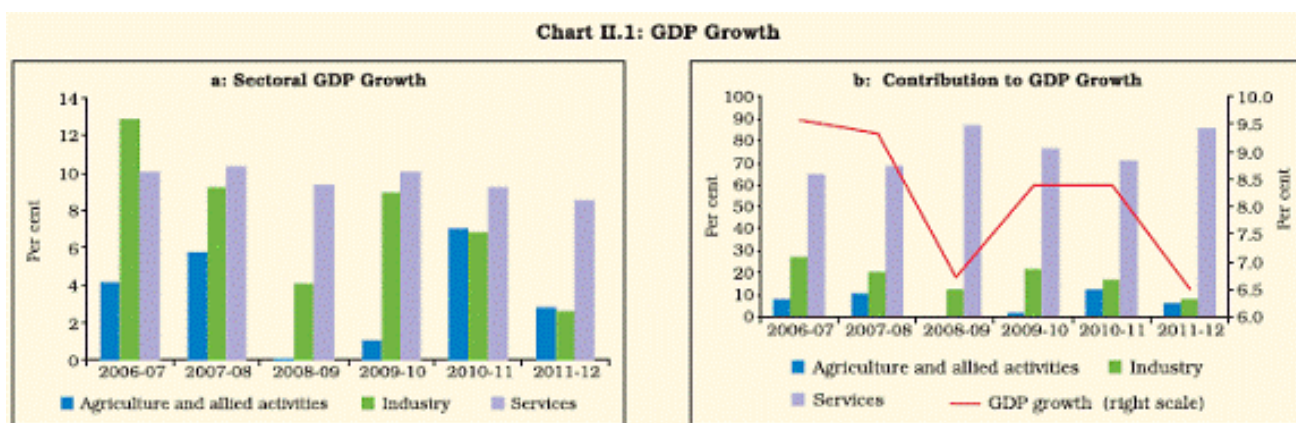
INDUSTRY OVERVIEW

❖ Indian Economy

The Indian economy was one of the fastest growing economies in the post-crisis period. During 2011-12, however, there was continuous deceleration of economic activity in each of the four quarters which pushed the expansion of the economy to below potential, which is the maximum level of output that the economy can sustain without creating macroeconomic imbalances. There has been a deceleration in all sub-sectors of the economy, barring 'electricity, gas and water supply' and 'community, social and personal services'.

Growth slowed down due to multiple factors. One of the reasons was the persistence of inflation at a much higher level than the threshold for two successive years. Persistent and high inflation necessitated continued tightening of monetary policy. Recent research suggests that real interest (lending) rates explain only about one-third of GDP growth. As of March 2012, real weighted average lending rates, that have an inverse relationship with investment activity, were lower than they were in the pre-crisis period between 2003-04 and 2007-08, when investment boomed.

Growth falters in 2011-12 after a sharp recovery in the previous two years. After a sharp recovery from the global financial crisis and two successive years of robust growth of 8.4 per cent, GDP growth decelerated sharply to a nine-year low of 6.5 per cent during 2011-12. The slowdown was reflected in all sectors of the economy but the industrial sector suffered the sharpest deceleration



The slowdown in agriculture sector growth was on account of the base effect which dragged down its contribution to GDP growth by half. In the case of industry, the sharp moderation in manufacturing sector growth along with decline in mining and quarrying output offset the improvement in 'electricity, gas and water supply' growth. The industrial sector's weighted percentage contribution to economic growth dropped to single digits, the first time in ten years. The moderation in services sector growth was led by sharp deceleration in 'construction' and 'trade, hotels, transport and communication'. Despite the moderation, the predominance of the services sector remains a unique feature of the overall growth story and the process of structural change in India.

(Source: RBI annual report)

❖ Broad Constituents in the Indian Capital Markets

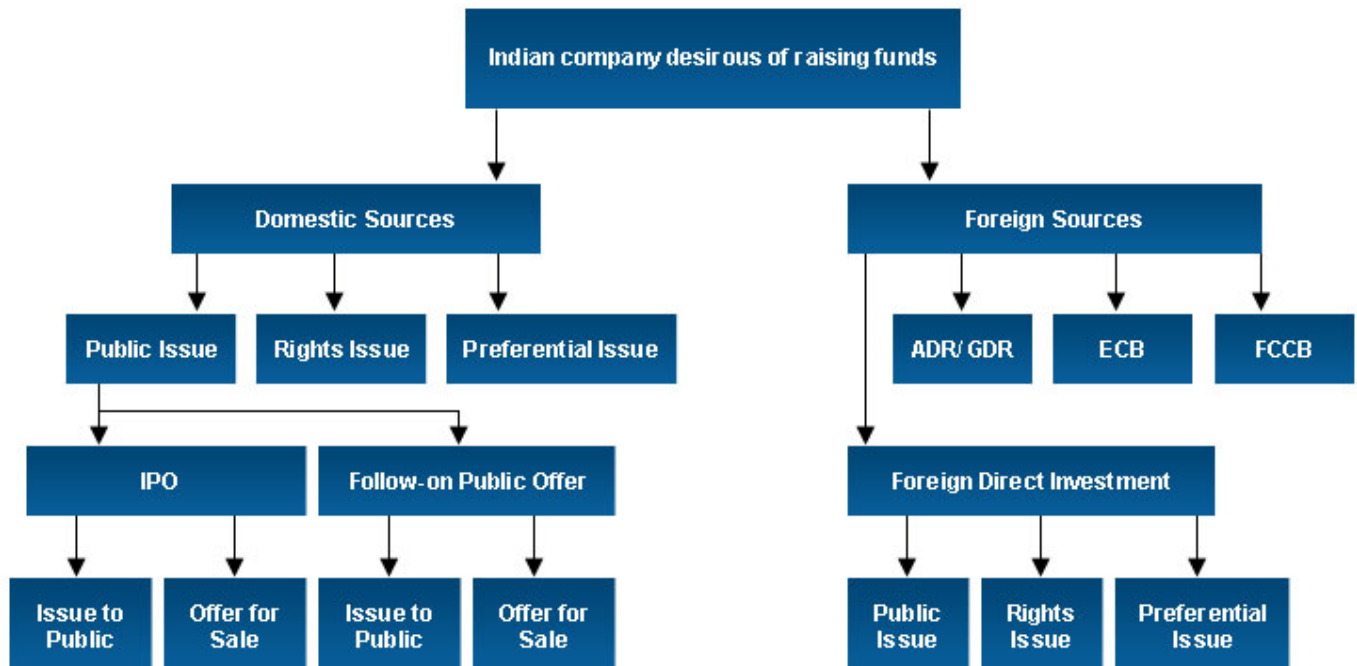
Fund Raisers are companies that raise funds from domestic and foreign sources, both public and private.

Fund Providers are the entities that invest in the capital markets. These can be categorized as domestic and foreign investors, institutional and retail investors. The list includes subscribers to primary market issues, investors who buy in the secondary market, traders, speculators, FIIs/ sub accounts, mutual funds, venture capital funds, NRIs, ADR/GDR investors, etc.

Intermediaries are service providers in the market, including stock brokers, sub-brokers, financiers, merchant bankers, underwriters, depository participants, registrar and transfer agents, FIIs/ sub accounts, mutual Funds, venture capital funds, portfolio managers, custodians, etc.

Organizations include various entities such as BSE, NSE, other regional stock exchanges, and the two depositories National Securities Depository Limited (NSDL) and Central Securities Depository Limited (CSDL).

Market Regulators include the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI).



Appellate Authority: The Securities Appellate Tribunal (SAT)

Participants in the Securities Market

SAT, regulators (SEBI, RBI, DCA, DEA), depositories, stock exchanges (with equity trading, debt market segment, derivative trading), brokers, corporate brokers, sub-brokers, FII, portfolio managers, custodians, share transfer agents, primary dealers, merchant bankers, bankers to an issue, debenture trustees, underwriters, venture capital funds, foreign venture capital investors, mutual funds, collective investment schemes.

❖ EQUITY MARKET

History of the Market

With the onset of globalization and the subsequent policy reforms, significant improvements have been made in the area of securities market in India. Dematerialization of shares was one of the revolutionary steps that the government implemented. This led to faster and cheaper transactions, and increased the volumes traded by many folds. The adoption of the market-oriented economic policies and online trading facility transformed Indian equity markets from a broker-regulated market to a mass market. This boosted the sentiment of investors in and outside India and elevated the Indian equity markets to the standards of the major global equity markets.

The 1990s witnessed the emergence of the securities market as a major source of finance for trade and industry. Equity markets provided the required platform for companies and start-up businesses to raise money through IPOs, VC, PE, and finance from HNIs. As a result, stock markets became a people's market, flooded with primary issues. In the first 11 months of 2007, the new capital raised in the global public equity markets through IPOs accounted for \$107 billion in 382 deals out of the total of \$255 billion raised by the four BRIC countries. This was a sizeable growth from \$90 billion raised in 302 deals in 2006. Today, the corporate sector prefers external sources for meeting its funding requirements rather than acquiring loans from financial Institutions or banks.

❖ Derivative Markets

The emergence of the market for derivative products such as futures and forwards can be traced back to the willingness of risk-averse economic agents to guard themselves against uncertainties arising out of price fluctuations in various asset classes. By their very nature, the financial markets are marked by a very high degree of volatility. Through the use of derivative products, it is possible to partially or fully transfer price risks by locking in asset prices. However, by locking in asset prices, derivative products minimize the impact of fluctuations in asset prices on the profitability and cash flow situation of risk-averse investors. This instrument is used by all sections of businesses, such as corporates, SMEs, banks, financial institutions, retail investors, etc. According to the International Swaps and Derivatives Association, more than 90 percent of the global 500 corporations use derivatives for hedging risks in interest rates, foreign exchange, and equities. In the over-the-counter (OTC) markets, interest rates (78.5%), foreign exchange (11.4%), and credit form the major derivatives, whereas in the exchange-traded segment, interest rates, government debt, equity index, and stock futures form the major chunk of the derivatives.

What are futures contracts?

Futures contracts are standardized derivative instruments. The instrument has an underlying product (tangible or intangible) and is impacted by the developments witnessed in the underlying product. The quality and quantity of the underlying asset are standardized. Futures contracts are transferable in nature. Three broad categories of participants—hedgers, speculators, and arbitrageurs—trade in the derivatives market.

- **Hedgers** face risk associated with the price of an asset. They belong to the business community dealing with the underlying asset to a future instrument on a regular basis. They use futures or options markets to reduce or eliminate this risk.
- **Speculators** have a particular mindset with regard to an asset and bet on future movements in the asset's price. Futures and options contracts can give them an extra leverage due to margining system.
- **Arbitrageurs** are in business to take advantage of a discrepancy between prices in two different markets. For example, when they see the futures price of an asset getting out of line with the cash price, they will take offsetting positions in the two markets to lock in a profit.

Distinction between Forward and Futures Contracts:

Futures Contracts	Forward Contracts
Meaning: A futures contract is a contractual agreement between two parties to buy or sell a standardized quantity and quality of asset on a specific future date on a futures exchange.	A forward contract is a contractual agreement between two parties to buy or sell an asset at a future date for a predetermined mutually agreed price while entering into the contract. A forward contract is not traded on an exchange.
Trading place: A futures contract is traded on the centralized trading platform of an exchange.	A forward contract is traded in an OTC market.
Transparency in contract price: The contract price of a futures contract is transparent as it is available on the centralized trading screen of the exchange.	The contract price of a forward contract is not transparent, as it is not publicly disclosed.
Valuations of open position and margin requirement: In a futures contract, valuation of open position is calculated as per the official closing price on a daily basis and mark-to-market (MTM) margin requirement exists.	In a forward contract, valuation of open position is not calculated on a daily basis and there is no requirement of MTM on daily basis since the settlement of contract is only on the maturity date of the contract.

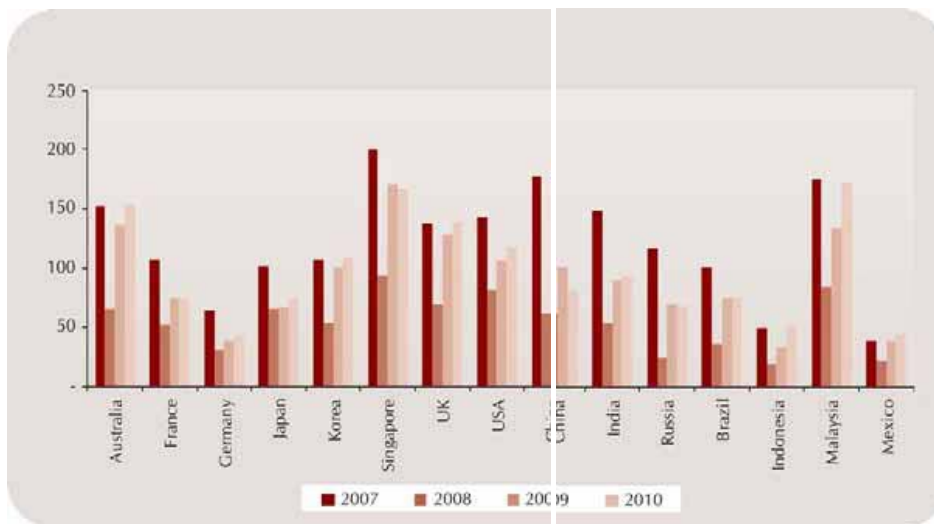
Liquidity: Liquidity is the measure of frequency of trades that occur in a particular futures contract. A futures contract is more liquid as it is traded on the exchange.	A forward contract is less liquid due to its customized nature.
Counterparty default risk: In futures contracts, the exchange clearinghouse provides trade guarantee. Therefore, counterparty risk is almost eliminated.	In forward contracts, counterparty risk is high due to the customized nature of the transaction.
Regulations: A regulatory authority and the exchange regulate a futures contract.	A forward contract is not regulated by any exchange.

Benefits of Derivatives

- Price Risk Management:** The derivative instrument is the best way to hedge risk that arises from its underlying. Suppose, 'A' has bought 100 shares of a real estate company with a bullish view but, unfortunately, the stock starts showing bearish trends after the subprime crisis. To avoid loss, 'A' can sell the same quantity of futures of the script for the time period he plans to stay invested in the script. This activity is called hedging. It helps in risk minimization, profit maximization, and reaching a satisfactory risk-return trade-off, with the use of a portfolio. The major beneficiaries of the futures instrument have been mutual funds and other institutional investors.
- Price Discovery:** The new information disseminated in the marketplace is interpreted by the market participants and immediately reflected in spot and futures prices by triggering the trading activity in one or both the markets. This process of price adjustment is often termed as price discovery and is one of the major benefits of trading in futures. Apart from this, futures help in improving efficiency of the markets.
- Asset Class:** Derivatives, especially futures, offer an exclusive asset class for not only large investors like corporates and financial institutions but also for retail investors like high networth individuals. Equity futures offer the advantage of portfolio risk diversification for all business entities. This is due to the fact that historically it has been witnessed that there lies an inverse correlation of daily returns in equities as compared to commodities.
- High Financial Leverage:** Futures offer a great opportunity to invest even with a small sum of money. It is an instrument that requires only the margin on a contract to be paid in order to commence trading. This is also called leverage buying/selling.
- Transparency:** Futures instruments are highly transparent because the underlying product (equity scripts/index) are generally traded across the country or even traded globally. This reduces the chances of manipulation of prices of those scripts. Secondly, the regulatory authorities act as watchdogs regarding the day-to-day activities taking place in the securities markets, taking care of the illegal transactions.
- Predictable Pricing:** Futures trading is useful for the genuine investor class because they get an idea of the price at which a stock or index would be available at a future point of time.

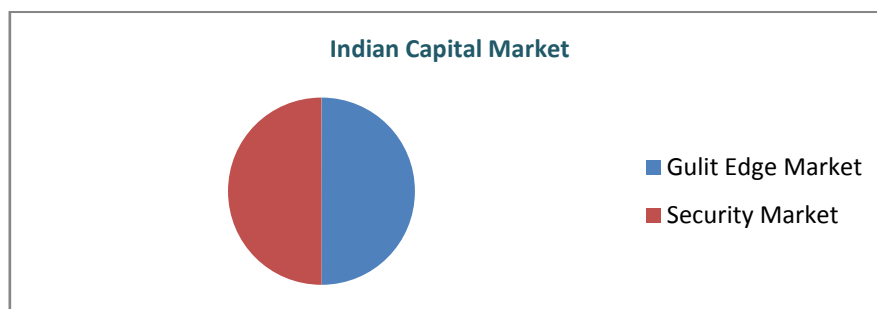
❖ Indian Capital Market

Capital market is one of the most important segments of the Indian financial system. It is the market available to the companies for meeting their requirements of the long-term funds. It refers to all the facilities and the institutional arrangements for borrowing and lending funds. In other words, it is concerned with the raising of money capital for purposes of making long-term investments. The market consists of a number of individuals and institutions (including the Government) that canalise the supply and demand for long-term capital and claims on it. The demand for long term capital comes predominantly from private sector manufacturing industries, agriculture sector, trade and the Government agencies. While, the supply of funds for the capital market comes largely from individual and corporate savings, banks, insurance companies, specialised financing agencies and the surplus of Governments.



(Source : S&P Global Stock Market Factbook, 2011 and World Development Indicators, World Bank)

The Indian capital market is broadly divided into the gilt-edged market and the industrial securities market.



- ✪ The gilt-edged market refers to the market for Government and semi-government securities, backed by the Reserve Bank of India (RBI). Government securities are tradeable debt instruments issued by the Government for meeting its financial requirements. The term gilt-edged means 'of the best quality'. This is because the Government securities do not suffer from risk of default and are highly liquid (as they can be easily sold in the market at their current price). The open market operations of the RBI are also conducted in such securities.
- ✪ The industrial securities market refers to the market which deals in equities and debentures of the corporates. It is further divided into primary market and secondary market.

(Source: http://business.gov.in/business_financing/capital_market.php)

- **Primary market (new issue market):-** deals with 'new securities', that is, securities which were not previously available and are offered to the investing public for the first time. It is the market for raising fresh capital in the form of shares and debentures. It provides the issuing company with additional funds for starting a new enterprise or for either expansion or diversification of an existing one, and thus its contribution to company financing is direct. The new offerings by the companies are made either as an initial public offering (IPO) or rights issue.

The primary market enables the government as well corporates in raising the capital that is required to meet their requirements of capital expenditure and/or discharge of other obligations such as exit opportunities for venture capitalist/PE firms. The most common primary mechanism for raising capital is an initial public offer (IPO), under which shares are offered to the public as a precursor to trading in the secondary market of an exchange. The price at which the shares are to be issued is decided with the help of the book building mechanism; in the case of oversubscription, the shares are allotted on a pro-rata basis. When securities are offered exclusively to the existing shareholders of company, as opposed to the general public, it is known as rights issue. Another mechanism whereby a listed company can issue equity shares, as well as fully and partly convertible debentures that can be later converted into

equity shares, to a qualified institutional buyer (QIB) is termed as qualified institutional placement (QIP). In addition to raising capital in the domestic market, companies can also issue securities in the international market through the ADR/GDR/ECB route to raise capital.

The issuers mobilize resources through public issues and private placements. The resources that are raised by corporate and the government from domestic as well as international markets are presented in Table The total resources mobilized through corporate and government securities in 2011-2012 increased by 14.2 percent compared to the figures for the previous year. The resources mobilized in 2011-2012 amounted to ₹ 9,926 billion (US \$ 194 billion) as against ₹ 8,690 billion (US \$ 195 billion) in 2010-2011.

Issues	2010-11 (₹ bn)	2011-12 (₹ bn)	2010-11 (US \$ bn)	2011-12 (US \$ bn)
Corporate Securities	2,855	2,336	64	46
Domestic Issues	2,760	2,308	62	45
Public Issues	376	129	8	3
Private Placement	2,384	2,180	53	43
Euro Issues	94	27	2	0.5
Government Securities	5,835	7,590	131	148
Central Government	4,795	6,004	107	117
State Government	8,690	1,586	23	31
Total	8,690	9,926	195	194

(Source: Indian Securities Market, A Review (ISMR) – 2012(Published by NSE)

Trends in Primary Market

• Equity and Debt Issue

During December 2012, ₹ 8,332.4 crore were mobilised in the primary market by way of eight issues as compared to ₹ 179.5 crore mobilised through one issues in November 2012, showing a jump of over 46 times over the previous month. During December 2012, there were five equity issues which were IPOs. The cumulative amount mobilised for the financial year 2012-13, so far, stood at ₹ 17,995.6 crore through 39 issues as against ₹ 31,710.3 crore raised through 53 issues during the corresponding period in 2011-12.

Primary Market Trends

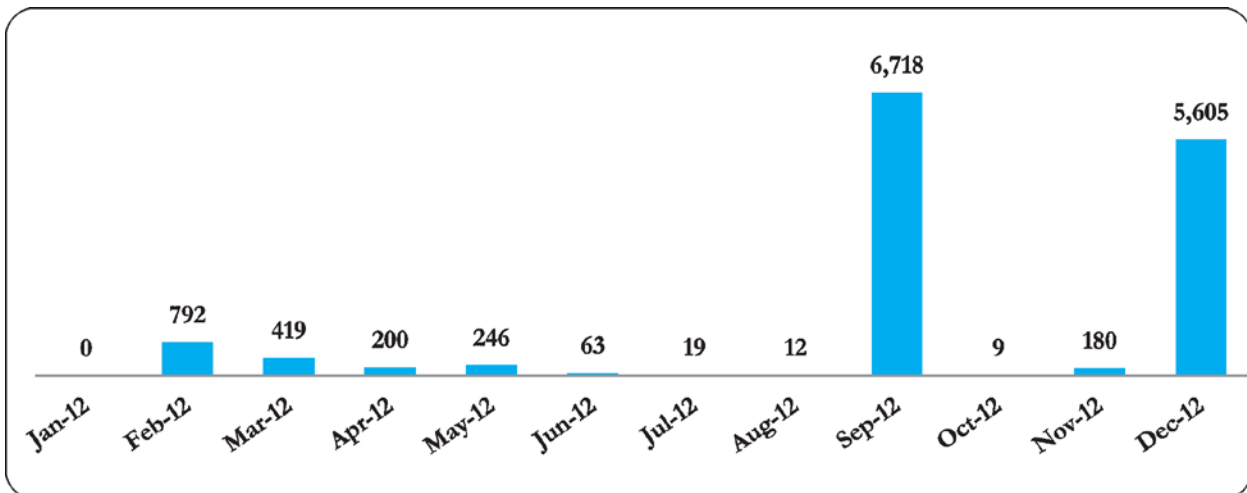
Items	12-Dec		12-Nov		2012-13 \$		2011-12 \$	
	No. of Issues	Amount (₹Crore)	No. of Issues	Amount (₹Crore)	No. of Issues	Amount (₹Crore)	No. of Issues	Amount (₹Crore)
1	2	3	4	5	6	7	8	9
a) Public Issue (i) + (ii)	7	8074.5	1	179.5	28	10988.5	43	29623
(i) Public Issue of (Equity) which	5	5346.6	1	179.5	20	6043.6	30	9559
IPOs	5	5346.6	1	179.5	20	6043.6	29	4980.8
FPOs	0	0	0	0	0	0	1	4578.2
(ii) Public Issue (Debt)	2	2727.9	0	0	8	4944.9	13	20063.7
b) Right Issue	1	258	0	0	11	7007.2	10	2087.6
Total Equity Issues (i+b)	6	5604.6	1	179.5	31	13050.8	40	11646.6
Total (a + b)	8	8332.4	1	179.5	39	17995.6	53	31710.3

\$ indicates as on last trading day of December of the corresponding financial year.

* Debt Figures for Dec 2012 are provisional

IPOs imply Initial Public Offers, FPOs imply Follow on Public Offers.

Primary Market (Equity Issues) Trends through Public and Rights Issues (₹crore)



(Source: SEBI Bulletin January 2013).

- **Secondary market/ stock market (old issues market or stock exchange):-** is the market for buying and selling securities of the existing companies. Under this, securities are traded after being initially offered to the public in the primary market and/or listed on the stock exchange. The stock exchanges are the exclusive centres for trading of securities. It is a sensitive barometer and reflects the trends in the economy through fluctuations in the prices of various securities. It been defined as, "a body of individuals, whether incorporated or not, constituted for the purpose of assisting, regulating and controlling the business of buying, selling and dealing in securities". Listing on stock exchanges enables the shareholders to monitor the movement of the share prices in an effective manner. This assist them to take prudent decisions on whether to retain their holdings or sell off or even accumulate further. However, to list the securities on a stock exchange, the issuing company has to go through set norms and procedures.

(Source: http://business.gov.in/business_financing/capital_market.php)

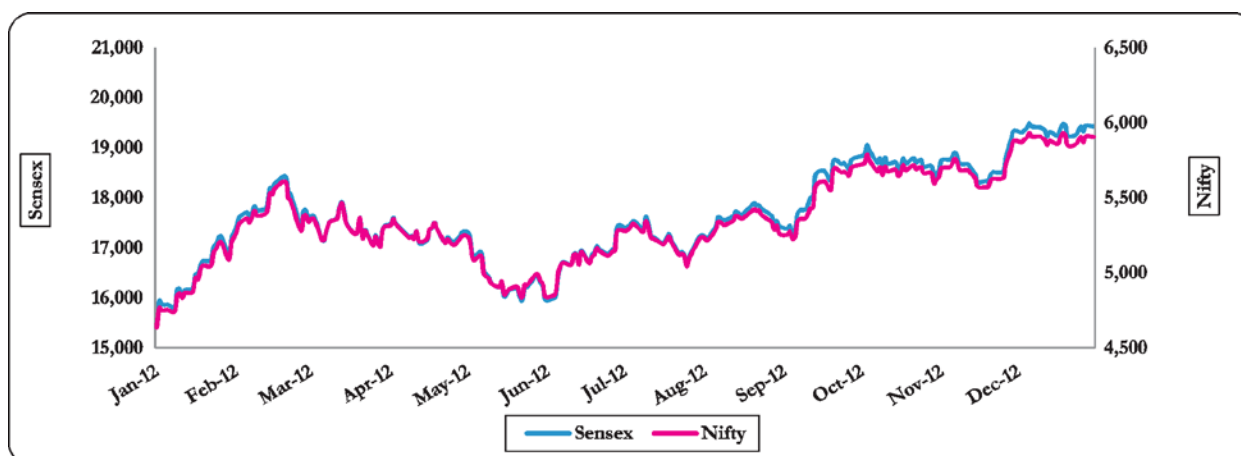
Secondary Market refers to a market where securities are traded after being initially offered to the public in the primary market and/or listed on the Stock Exchange. Majority of the trading is done in the secondary market. Secondary market comprises of equity markets and the debt markets.

For the general investor, the secondary market provides an efficient platform for trading of his securities. For the management of the company, Secondary equity markets serve as a monitoring and control conduit—by facilitating value-enhancing control activities, enabling implementation of incentive-based management contracts, and aggregating information (via price discovery) that guides management decisions.

(Source: <http://www.sebi.gov.in/faq/smdfaq.html>)

Trends in Secondary Market

BSE Sensex closed at 19,426.7 on December 31, 2012, as against 19,339.9 on November 30, 2012, registering an increase of 86.8 points (0.4 percent). During December 2012, Sensex recorded an intraday high of 19,612.2 on December 11, 2012 and an intraday low of 19,149 on December 18, 2012.



S&P CNX Nifty closed at 5,905.1 on December 31, 2012 compared to 5,879.9 on November 30, 2012, indicating an increase of 25.3 points (0.4 percent). During December 2012, Nifty recorded an intraday high of 5,965.2 on December 11, 2012 and an intraday low of 5,823.2 on December 18, 2012.

The Basic Indicators in Cash Market

Particulars	2011-12	2012-13\$	12-Nov	12-Dec	Percentage change over the previous month
1	2	3	4	5	6
A. Indices					
BSE Sensex	17404.2	19426.7	19,339.90	19,426.70	0.4
S&P CNX Nifty	5295.6	5905.1	5,879.90	5,905.10	0.4
B. Market Capitalisation (₹ crore)					
BSE	62,14,941	69,21,815	67,38,713	69,21,815	2.7
NSE	60,96,518	67,63,781	66,03,005	67,63,781	2.4
C. Gross Turnover (₹crore)					
BSE	6,67,498	4,10,230	47,783	50,377	5.4
NSE	28,10,893	19,73,624	2,20,933	2,40,325	8.8
D. P/E Ratio					
BSE Sensex	17.8	17.5	17.5	17.5	0.3
S&P CNX Nifty	18.7	18.7	18.6	18.7	0.5

\$ As on last trading day of December 2012

The P/E ratio of BSE Sensex was 17.5 as on December 31, 2012 as against 17.5 as on November 30, 2012. The P/E ratio of S&P CNX Nifty was 18.7 as on December 31, 2012 as against 18.6 on November 30, 2012.

(Source: SEBI Bulletin January 2013).

• Commodity Market

Commodity futures markets largely remain underdeveloped in India. This is in spite of the country's long history of commodity derivatives trade as compared to the US and UK. A major contributor to this fact is the extensive government intervention in the agricultural sector in the post-independence era. In reality, the production and distribution of several agricultural commodities is still governed by the state and forwards as well as futures trading have only been selectively introduced with stringent regulatory controls. Free trade in many commodity items remains restricted under the Essential Commodities Act (ECA), 1955, and forwards as well as future contracts are limited to specific commodity items listed under the Forward Contracts (Regulation) Act (FCRA), 1952.

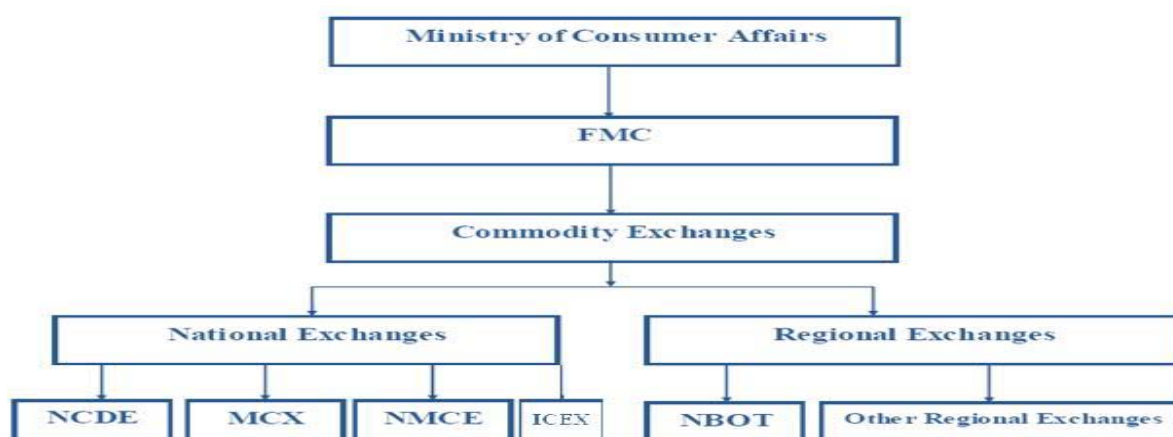
The evolution of the organized futures market in India commenced in 1875 with the setting up of the Bombay Cotton Trade Association Ltd. Following widespread discontent among leading cotton mill owners and merchants over the functioning of the Bombay Cotton Trade Association, a separate association, Bombay Cotton Exchange Ltd., was constituted in 1983. Futures trading in oilseeds originated with the setting up of the

Gujarati Vyapari Mandali in 1900, which carried out futures trading in ground nuts, castor seeds and cotton. The Calcutta Hessian Exchange Ltd. and the East India Jute Association Ltd. were set up in 1919 and 1927 respectively for futures trade in raw jute. In 1921, futures in cotton were organized in Mumbai under the auspices of East India Cotton Association (EICA). Before the Second World War broke out in 1939, several futures markets in oilseeds were functioning in the states of Gujarat and Punjab. Futures markets in Bullion began in Mumbai in 1920, and later, similar markets were established in Rajkot, Jaipur, Jamnagar, Kanpur, Delhi and Calcutta. In due course, several other exchanges were established in the country, facilitating trade in diverse commodities such as pepper, turmeric, potato, sugar and jaggery.

➤ **STRUCTURE, CONDUCT & CURRENT STATUS**

Broadly, the commodities market exists in two distinct forms—the over-the-counter (OTC) market and the exchange based market. Further, as in equities, there exists the spot and the derivatives segments. Spot markets are essentially OTC markets and participation is restricted to people who are involved with that commodity, such as the farmer, processor, wholesaler, etc. A majority of the derivatives trading takes place through the exchange-based markets with standardized contracts, settlements, etc. The exchange-based markets are essentially derivative markets and are similar to equity derivatives in their working, that is, everything is standardized and a person can purchase a contract by paying only a percentage of the contract value. A person can also go short on these exchanges. Moreover, even though there is a provision for delivery, most contracts are squared-off before expiry and are settled in cash. As a result, one can see an active participation by people who are not associated with the commodity.

The typical **structure of commodity futures markets in India** is as follows:



At present, there are 26 exchanges operating in India and carrying out futures trading activities in as many as 146 commodity items. As per the recommendation of the FMC, the Government of India recognized the National Multi Commodity Exchange (NMCE), Ahmadabad; Multi Commodity Exchange (MCX), National Commodity and Derivative Exchange (NCDEX), Mumbai and Indian Commodity Exchange (ICEX) as nation-wide multi-commodity exchanges.

As compared to 59 commodities in January 2005, 94 commodities were traded in December 2006 in the commodity futures market. These commodities included major agricultural commodities such as rice, wheat, jute, cotton, coffee, major pulses (such as urad, arhar and chana), edible oilseeds (such as mustard seed, coconut oil, groundnut oil and sunflower), spices (pepper, chillies, cumin seed and turmeric), metals (aluminium, tin, nickel and copper), bullion (gold and silver), crude oil, natural gas and polymers, among others. Gold accounted for the largest share of trade in terms of value. A temporary ban was imposed on futures trading in urad and tur dal in January 2007 to ensure orderly market conditions. An efficient and well-organised commodities futures market is generally acknowledged to be helpful in price discovery for traded commodities.

➤ **TURNOVER**

Exchanges	2004 – 05	2005 – 06	2006 – 07	2007 – 08
MCX	165,147	961,633	1,621,803	2,505,206
NCDEX	266,338	1,066,686	944,066	733,479
NMCE	13,988	18,385	101,731	24,072
NBOT	58,463	53,683	57,149	74,582

Others	67,823	54,735	14,591	37,997
All Exchanges	571,759	2,155,122	2,739,340	3,375,336

Total value of trading at the Commodity Exchanges during the fortnight from 1st March 2010 to 15th March 2010 was ₹ 3, 78,758.22 crore. The cumulative value of trades from 1st April, 2009 upto 15th March, 2010 for the financial year 2009-10 was ₹ 73,50,974.95 crore. The corresponding figures for the previous year were ₹ 2, 62,813.49 crore and ₹ 49, 07,310.41 crore respectively.

➤ COMMODITIES TRADED

World-over one will find that a market exists for almost all the commodities known to us. These commodities can be broadly classified into the following:

METAL	Aluminium, Copper, Lead, Nickel, Sponge Iron, Steel Long (Bhavnagar), Steel Long (Govindgarh), Steel Flat, Tin, Zinc
BULLION	Gold, Gold HNI, Gold M, i-gold, Silver, Silver HNI, Silver M
FIBER	Cotton L Staple, Cotton M Staple, Cotton S Staple, Cotton Yarn, Kapas
ENERGY	Brent Crude Oil, Crude Oil, Furnace Oil, Natural Gas, M. E. Sour Crude Oil
SPICES	Cardamom, Jeera, Pepper, Red Chilli, Turmeric
PLANTATIONS	Arecanut, Cashew Kernel, Coffee (Robusta), Rubber
PULSES	Chana, Masur, Yellow Peas
PETROCHEMICALS	HDPE, Polypropylene(PP), PVC
OIL & OIL SEEDS	Castor Oil, Castor Seeds, Coconut Cake, Coconut Oil, Cotton Seed, Crude Palm Oil, Groundnut Oil, Kapasia Khalli, Mustard Oil, Mustard Seed (Jaipur), Mustard Seed (Sirsa), RBD Palmolein, Refined Soy Oil, Refined Sunflower Oil, Rice Bran DOC, Rice Bran Refined Oil, Sesame Seed, Soymeal, Soy Bean, Soy Seeds
CEREALS	Maize
OTHERS	Guargum, Guar Seed, Gurchaku, Mentha Oil, Potato (Agra), Potato (Tarkeshwar), Sugar M-30, Sugar S-30

(Source: <http://www.marketoperation.com/commodities/indian-commodity-market.html>)

• ARBITRAG

“Arbitrage” trading is simply the trading of securities when the opportunity exists during the trading day to take advantage of differences in value between the markets the trades are made within. Arbitrage trading takes place all day long on most days that the markets are active.

Arbitrage is legally allowed. In fact arbitrage is responsible for a large part of the daily volumes on the NSE & BSE exchanges. What mainly takes place in India is called Market Arbitrage. Market Arbitrage involves purchasing and selling the same security at the same time in different markets (BSE & NSE) to take advantage of a price difference between the two separate markets. A market arbitrageur would short sell the higher priced stock and buy the lower priced one. The profit is the spread between the two assets.

Here is a simple example:

Suppose you own 600 shares of RPL. One trading day you notice that RPL is trading at 150 on the BSE and 145 on the NSE. You sell your 600 shares on the BSE at 150 and simultaneously buy back the 600 shares on the NSE at 145.

You profit in this case is $600 \times 5.00 = 3000.00$ less brokerages if any.

(Source: <http://nseguide.com/what-is-arbitrage-trading/>)

OUR BUSINESS

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Amrapali Capital and Finance Services Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page no 10 and "Industry Overview" on page no 60 of the Prospectus.

BUSINESS OVERVIEW

Our Company was incorporated at Ahmedabad as Amrapali Capital and Finance Services Limited on May 20, 1994 with the registrar of the company at Gujarat and received certificate of commencement on June 15, 1994.

We are the registered as trading and clearing member of the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), MCX Stock Exchange Limited (MCX-SX) and United Stock Exchange of India Limited (USE), Our Company is also registered as a DP with NSDL. The company is providing various financial services under one roof that are well diversified from trading services in Equity, Future & Options segment and Currency derivatives segment.

Our company is engaged in the business of trading of shares, stocks, forex, arbitrage business including Brokerage business, which comprises of equity brokerage (Cash and Derivatives segment), currency brokerage, distribution of financial products, depository and clearing services. Our company has commenced its operation way back in the financial year 1995-96 by obtaining Trading Membership of National Stock Exchange of India Limited (NSE) as a Stock Broker. Later on, in the financial year 2002-2003 we have obtained Trading and Clearing Membership of National Stock Exchange of India Limited (NSE) in derivatives exchange / derivatives segment / clearing corporation /clearing house as trading and clearing member for carrying on the activities of dealing in the same.

In the financial year 2005-06 and 2006-07 our company received Multiple Membership of Bombay Stock Exchange Limited as a Stock Broker in cash segment and Trading cum clearing Membership of Bombay Stock Exchange Limited in derivatives exchange / derivative segment/ clearing corporation/clearing house in future and option segment respectively. In the year 2008-09 our company entered into currency derivatives segment by obtaining trading and clearing membership in currency derivative segment of both National Stock Exchange of India Limited (NSE) and MCX stock Exchange limited (MCX-SX).

We have registered ourselves as Depository Participant with National Securities Depository Limited (NSDL) in the financial year 2009-2010 and become Trading cum clearing Member of United Stock Exchange of India Limited in currency derivatives segment/ clearing corporation / clearing house as trading member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house on 2010-11.

Our company has surrendered the clearing membership in future and option segment of BSE (Bombay Stock Exchange Limited) and in currency derivatives segment of United Stock Exchange of India Limited (USE) w.e.f August 3, 2011 and April 13, 2012 respectively.

In the financial year 2012-13 our company registered as depository participant with NCDEX with code number IR/NCDEX/DP/CORP/0124 and DP ID no IN303760 for opening of commodity demat account.

Our company also got registered with Comtrack on March 25, 2013 for opening of commodity demat accounts of clients and mapping them to NCDEX.

We have registered ourselves as Market Maker with BSE SME vide its letter no. MO/CS/AK/ANK/1011/2013 dated May 13, 2013 with the effect from May 13, 2013 bearing registration number SMEMM0093413052013.

Location

We operate from the Following locations.

Type of Office	Location
Registered Office	Shop No.3, Ashoka Complex, Ground Floor, B/h Woodland Hotel, Naroli Cross Road, Silvassa
Corporate Office	19/20/21 3 rd Floor, Narayan Chambers, Ashram Road, Ahmedabad

	– 380009
Branch Offices	
Mumbai	7/10 2nd Floor, Botawala Building, Horniman Circle, Fort, Mumbai – 400023
New Delhi	Municipal No. 4932 Plot No. 62, Dayanand Road, Dariyagunj, New Delhi – 110002
Rajkot	Maruti Arcade, plot no 20, Shri Adarsh Society, Raiya Road, Nr Amrapali Railway Crossing, Rajkot

Our products and services

- Equity broking (Cash And Derivatives segment),
- Currency broking
- Market Maker
- Depository participant with NSDL and NCDEX (Comtrack)
- Mutual Fund Advisor
- Research
- Other Services

Our Competitive Strengths

Experienced Management Team backed by Experienced Promoters

We believe that our senior management and our talented and experienced promoters are the principal reason for the growth of our company. Our senior management team is supported by staff with a varied background in equity sales, legal compliances, investment advisory services etc. We believe that the extensive experience and financial acumen of our management facilitates us with a significant competitive advantage.

Membership of all major equity and derivative Exchanges of the country

We are members on all the premier equity and derivative exchanges in the country. Thus we can offer our clients trading facilities in these investment classes under one roof.

Multiple product offerings make us a “one stop” shop

We provide a range of products and services to our customers. These multiple offerings across multiple channels – either online through Internet or offline through any of the branches or telephone enables us to emerge as a financial “one stop” shop.

SWOT Analysis

Strength

- Experienced management team.
- Long and Cordial relationship with Customers
- Research Backed Decision Making

Weakness

- Limited geographical coverage.
- Dependent upon growth in stock market and overall fiscal growth.

Opportunity

- Changing demographics with higher disposable income and increasingly complex financial instruments will drive demand for investment advisory services.
- Rapid penetration of Internet and computers means that technology enabled financial services will gain market share.
- Establishment of market in neighboring states
- Potential to increase the business in the existing facility

Threat

- Economic slowdown
- Increasing competition
- Capital Market Slowdown

Business strategy

The business strategy has been consumers centric focused on giving value added and quality services to our clients and enable them to get more than satisfactory returns on their investment. We facilitate the investment process for client and also provide value-added services like Research, Stock ideas etc. to make our client investment experience easy and rewarding. We have dedicated personnel for Research Analyst who empowers our client with all the information that need to be taken by the investors to take the right investment decision. We intend to pursue the following strategies in order to consolidate our position and grow further:

Achieve operational efficiencies

We intend to achieve operational efficiencies and maximize revenues through efficient use of technology, focused marketing and optimization of our resources. This would depend on our ability to maintain adequate capital and liquidity to absorb any adversities on broking business, stabilizing the earning profile, improving upon the profitability and adherence to stringent risk management systems.

Strengthen relationship with our clients

We seek to build on existing relationships and also focus on increasing our client base. We plan to expand our business primarily by increasing the client relationships, as we believe that increased client relationships will add stability to our business. We also seek to offer our clients, diversified products and services to increase our per capita revenues by selling different products to the same client.

Increasing geographical presence

We are focused on increasing our concentration in the existing cities as well as expand into smaller cities and towns that have the potential to grow. Currently, we have a presence in the New Delhi, Mumbai and few major cities of Gujarat i.e. Ahmedabad and Rajkot. We propose to expand by increasing the network of our branches and are open to growth through the inorganic route including acquisitions. We believe that this network expansion complemented by client-focused relationship management which will allow us to add new clients and help us to grow our market share.

Expanding of Network of Branches

We are having corporate office at Ahmedabad and we operate through various branches located in the state of Gujarat, Maharashtra and Delhi. Our aim is to grow further and provide better services to our clients.

Research Department with wide spectrum of products

To strengthen our broking business, our Company provides its valued research services to our existing customers as well as target segment. In our value added research services, we evaluate performances of the companies across sectors, performance of the various sectors, analysis of the market and the economy, etc. on daily basis. However, we intend to develop an independent research department, which would carry out research on selected listed companies, new IPOs, sector-wise research as well as technical research on selected scrips and indices. These research reports would be disseminated to our clients. As and when these researches would prove a track record on a gradual basis, we believe that this will augment our transactions volume of existing clients and also intensify our clientele basis.

Our Business Operations

The activities undertaken by our Company:-

Service Area	Membership / Products offered
Equity Broking (Cash and Derivatives Segments)	<ul style="list-style-type: none">• NSE• BSE

	<ul style="list-style-type: none"> • MCX-SX
Research	<ul style="list-style-type: none"> • Fundamental • Technical
Depository Services	<ul style="list-style-type: none"> • NSDL and NCDEX (Comtrack)
Currency Futures	<ul style="list-style-type: none"> • NSE • MCX-SX • USE
Market Maker	<ul style="list-style-type: none"> • BSE SME
Mutual Fund Advisor	<ul style="list-style-type: none"> • Guidance and Investment Support
Other services	<ul style="list-style-type: none"> • update our investors

Equity Broking

Our Company is a member of BSE, NSE, USE and MCX-SX for trading in equity, currency and derivatives. Our Company offers broking services to institutional and retail clients. This service is provided through our Corporate Office and branches located at various locations of the country.

Research

Our Company provides research services on both fundamental and technical side. The purpose of our research is to identify money-making opportunities for the clients without exposing them to unwarranted risk. We focus on providing in-depth insightful research that is timely and valuable to clients. Our support team provides robust research deliverables that are in many cases serve as the basis for buy-hold-sell decisions.

Depository Services

Depository is an organization where the securities of the shareholders are held in electronic form at the request of the shareholder through the medium of a Depository Participant. Therefore we are the intermediaries between the depository and the investors. The relationship between us and the depository is governed by an agreement under the Depositories Act. We offer depository facility to our equity trading clients as a part of integrated service offering as well as to third parties through NSDL, where our Company is a depository participant and recently we registered ourselves as depository participant for opening of commodity demat account.

Currency Futures

Currency future trading in India is comparatively new and gives investors opportunities to hedge risk of Currency market fluctuations. It also is emerging as an additional class of investment for investors. We are targeting our equity customers for investment in global currencies.

Market Making Services

With the coming up of BSE SME platform, we saw market making as the new business opportunity. Three years market making is compulsory for IPOs on SME platform. We recently registered as Market Maker(s) with the BSE vide their approval letter no MO/CS/AK/ANK/1011/2013 dated May 13, 2013.

Mutual Fund Advisor

Our company is also providing services such as advisory to our client in selecting mutual fund as per their requirement on personal basis on the basis of the research carried out by our expert.

Other services

Besides equity, we also offer investment opportunities in a diverse range of products like distribution of IPO's. We update our investors about forthcoming IPO and news articles in relation to IPO, FPO etc.

Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

Intellectual Property

The Company had filed an application for registration of Trademark "Amrapali" under the Trade Mark Act, 1999. The application is made under class 36 and application number is 1558941. M/s Ultra Home Construction Private Limited had filed notice of opposition on November 22, 2008 for refusing the registration of the Trademark "Amrapali". The company had filed counter statement on September 9, 2009. The matter is pending with the Trademark Registry.

Our Properties

Details of the property owned by us are given below:

Particulars	Details
Name of the Seller	Ms. Sunita Rajpal
Description of Property	19/20/21 3 rd Floor, Narayan Chambers, Ashram Road, Ahmedabad – 380009
Date of agreement	October 20, 1995
Consideration Paid	₹ 13,02, 960
Usage	Corporate Office
Area (Approx)	1464 sq. ft

Leased Properties

Particulars	Details
Name of the Lessor	Mr. Ashokbhai Rambhai Patel
Description of Property	Shop No.3, Ashoka Complex, Ground Floor, B/h Woodland Hotel, Naroli Cross Road, Silvassa
Date of agreement	May 7, 2013
Usage	Registered Office
Area (Approx)	300 sq. ft
Consideration (Rent)	₹ 4290 Per Month
Period	11 months

Particulars	Details
Name of the Lessor(s)	Ms. Anju Jain and Ms. Preeti Jain
Description of Property	Municipal No. 4932 Plot No. 62, Dayanand Road, Dariyagunj, New Delhi – 110002
Date of agreement	September 05, 2011
Usage	Branch Office
Area (Approx)	800 sq .ft (half portion of second floor is taken on lease and other common passage)
Consideration (Rent)#	₹ 48,000 Per Month
Period	36 Months

₹ 1,44,000 has been given as interest free deposit.

Particulars	Details
Name of the Lessor	M/S Thakersey & Sons
Description of Property	7/10 2 nd Floor, Botawala Building, Horniman Circle, Fort, Mumbai – 400023
Date of agreement	April 08, 2013
Usage	Branch Office
Area (Approx)	80 Sq Mt
Consideration (Rent)	₹ 4000 Per Month
Period	11 Months (Renewable up to 3 Years)

Particulars	Details
Name of the Lessor(s)	Mr. Jitendra J Chatwani
Description of Property	Maruti Arcade, plot no 20, Shri Adarsh Society, Raiya Road, Nr Amrapali Railway Crossing, Rajkot
Date of agreement	March 1, 2011

Usage	Branch Office
Area (Approx)	1000 sq .ft
Consideration (Rent) #	₹ 51,500 Per Month (including service charges of ₹ 43000 Per Month and ₹ 1,500 Per Month as monthly maintenance charges) with right to increase rent by 5 % on yearly basis.
Period	Nine Year

₹ 2, 00,000 has been given as interest free deposit.

Particulars	Details
Name of the Lessor(s)	New Nasib Bricks Manufacturing Company
Description of Property	Amrapali Shopping Mall, First Floor shop no -18 and 32, Ambli , Ahmedabad 380058
Date of agreement	July 19, 2007
Usage	Sub-let out
Area (Approx)	312.50 sq .ft
Consideration (Rent) #	8,500 per month and right to increase rent by 15% on every three year.
Period	Nine year

₹ 25,500 have been given as interest free deposit

Particulars	Details
Name of the Lessor(s)	Nasib Bricks Manufacturing Company
Description of Property	Amrapali Shopping Mall, First Floor shop no -17 and 33, Ambli , Ahmedabad 380058
Date of agreement	July 19, 2007
Usage	Sub-let out
Area (Approx)	312.50 sq .ft
Consideration (Rent) #	8,500 per month and right to increase rent by 15% on every three year.
Period	Nine year

₹ 25,500 have been given as interest free deposit

Details of margin requirement and Turnover

Part of the Issue Proceeds will be used towards both long term working capital in the form of maintaining adequate levels of margin with the stock exchanges by the company. The margin requirements with the stock exchanges are determined by the stock exchanges on the basis of trading volumes, market volatility and to extent of open interests in respect of equity index/ stock futures. Such margin requirements comprise of "initial margin" representing initial margin paid and "margin deposits", representing additional margin over and above the initial margin, intra-day margin etc. for entering into contracts for equity, equity index/ stock futures, which are released on final settlement and/or squaring up of underlying contracts. Further, equity index/ stock futures are marked-to-market on a daily basis; in which case, "mark-to-market margin" is required to be provided, representing the net amount paid or received on the basis of movement in the prices of index/ stock futures till the balance sheet date. While the initial margin and the margin deposits with the stock exchanges/ professional clearing members can be created by way of deposit of either stock or bank guarantees or fixed deposits with banks or cash, however, the marked-to-market margin is typically created by way of deposit of cash. we expect our trading volumes to increase leading to additional margin capital requirements for our Company. Provided below are the details of the levels of initial margin, margin deposits and marked-to-market margin maintained by us in the last three financial years:

(₹ in lacs)			
Particulars	2009-10	2010-11	2011-12
Cash	450	720	300
FDR	4105	1680	1451
Shares	4157	2892	1644
Total	8713	5292	3396

Details of turnover for the last three years on Stock Exchanges

The Company is Member of NSE, BSE MCX-SX and United Stock Exchange of India Limited. The last three years exchange wise Turnover & Breakup of Turnover into Client Account & Proprietary Account is as under:

(₹ in Crores)

Turnover Details	Exchange	Equity Segment	FO Segment	Currency Segment	Total	Pro Trading % to total turnover
2009-2010						
Total Turnover	BSE	15857.51	-	-	15857.51	
	NSE	28399.79	56351.18	3086.52	87837.49	
	MCX-SX	-	-	13537.16	13537.16	
	United Stock Exchange	-	-	-	-	
Pro A/c						
	BSE	15310.4	-	-	15310.4	
	NSE	22806.9	18250.4	533.0	41590.3	
	MCX-SX	-	-	11466.6	11466.6	
	United Stock Exchange	-	-	-	-	
						58.32%
2010-2011						
Total Turnover	BSE	10512.45	-	-	10512.45	
	NSE	18881.12	30023.82	997.23	49902.17	
	MCX-SX	-	-	14487.49	14487.49	
	United Stock Exchange	-	-	-	-	
Pro A/c						
	BSE	9869.2	-	-	9869.2	
	NSE	15544.5	11658.5	123.9	27326.9	
	MCX-SX	-	-	6010.1	6010.1	
	United Stock Exchange	-	-	-	-	
						57.68%
2011-2012						
Total Turnover	BSE	11814.76	-	-	11814.76	
	NSE	20551.47	17114.99	778.67	38445.13	
	MCX-SX	-	-	6592.68	6592.68	
	United Stock Exchange	-	-	-	-	
Pro A/c						
	BSE	11216.3	-	-	11216.3	
	NSE	18006.9	14519.3	45.0	32571.2	
	MCX-SX	-	-	113.4	113.4	
	United Stock Exchange	-	-	-	-	
						77.22%

RISK MANAGEMENT & CATEGORIZATION POLICY

We believe that effective risk management is of primary importance to the success of our operations. Accordingly, we have deployed necessary resources in terms of technology, people and processes to monitor, evaluate and manage the principal risks we assume in conducting our activities which include market, credit & liquidity, operational, legal and reputation risks.

Our risk management system monitors our market exposure on the basis of the total margin collected from clients, the total margin deposited with the exchanges and the lines of credit available from the banks. Our risk management department analyses this data in conjunction with our risk management policies and takes appropriate action where necessary to minimize risk.

For real time risk management software called, 'ODIN' named 'ADMIN' is used. This system can evaluate risks at pre trade and post-trade levels on a dynamic or real time basis. The integrated risk management features allow our risk management team to exercise a high degree of control over the entire process. This assists us in keeping a check over the exposure limit utilized by various clients and also enables us to take action to mitigate risk in due course.

Receivables Management:

In order to facilitate funds movement, we have adopted a Centralized Funds Management System.

TECHNOLOGY AND NETWORK

We are using ODIN software for the trading and it also enables automatic calculation and execution of complex arbitrage/spread strategies without the need for any form of human intervention

- Application enables us to performs complex calculations based on the predefined parameters on a continual and real-time basis
- Eliminates any opportunity loss that arises if the same actions are to be performed manually
- Enables us to execute strategies for Proprietary Trades or on behalf of their clients
- Enables us to run multiple strategies in a single application
- Exploit the arbitrage opportunities arise in the markets automatically

Our IT infrastructure is designed to provide uninterrupted service to our customers. We utilise a secure, high performance communications network to enable our customers systems to connect seamlessly to our data centre.

We monitor our network performance around the clock, 365 days a year to ensure high levels of network availability and periodically upgrade our network to enhance and optimise network efficiency across all our customer's operating locations.

We have also implemented numerous security measures in our network to protect our and our customer's data, including multiple layers of anti-virus solutions, network intrusion detection, host intrusions detection and information monitoring.

We have entered into the following agreements for a tie up as our technology partners for establishing our network and for providing servers and desktops.

Connectivity infrastructure

We have set up a VSAT & leased line at our office at Ahmedabad. Additionally, we have set up Local Area Network (LAN) which ensures connectivity.

MARKETING SETUP

Our top management and key executives enjoy the confidence of several retail clients and we market us only to a selected setup of clients through references of our top management, key managerial personnel, client etc.

COMPETITION

We face the competition in our business from other broking firms. Our competitors are broking firms and financial advisory firms. We compete with some of our competitors nationally and with others on a regional,

product or business line basis. Many of our competitors have substantially large capital base and resources than we do and offer a broader range of financial products and services. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and relative value of the services and products.

EXPORT POSSIBILITY AND OBLIGATION

Our Company doesn't have any export obligation.

EXISTING CAPACITY & CAPACITY UTILIZATION

We are in service industry and hence, Capacity and capacity utilization is not applicable to our Company.

EMPLOYEES

As on April 27 2013, we are having 19 employees on full-time basis.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Taxation statutes such as the IT Act, 1961 and applicable local statutes, and other miscellaneous regulations and statutes apply to us as they do to any other Indian company. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For details of government approvals obtained by us in compliance with these regulations, please refer to the Chapter titled "Government and Other Statutory Approvals" beginning on page 134 of the Prospectus.

1. SEBI Regulations, 2008

With the objective of providing a single comprehensive regulation, SEBI through its notification dated May 26, 2008 notified the SEBI (Intermediaries) Regulations, 2008 (the "Intermediaries Regulations"). These regulations will apply to all intermediaries and will deal with common requirements pertaining to grant of registration, general obligations, and code of conduct. In terms of the Intermediaries Regulations, these regulations shall come into force in relation to different classes of intermediaries on such dates as SEBI may be notification in the Official Gazette may appoint.

Further, in terms of the Intermediaries Regulations, provisions relating to chapter V (action in case of default and manner of suspension or cancellation of certificate) and chapter VI (miscellaneous provisions) have come into force with effect from May 26, 2008. Pursuant to this, the following regulations have been repealed with effect from May 26, 2008.

1. The SEBI (Criteria for Fit and Proper Persons) Regulations, 2004; and
2. SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002.

The notifications also provides, that, any reference to The SEBI (Criteria for Fit and Proper Persons) Regulations, 2004 in any regulation, guidelines, circulars shall be deemed to be reference to chapter V and Schedule II of the Intermediaries Regulations. Further, any action undertaken including an enquiry commenced or notice issued under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, prior to publication of the Intermediaries Regulations in the Official Gazette, shall be deemed to have been done or taken or commenced under the corresponding provisions of the Intermediaries Regulations.

2. Stock Broker Regulations

Pursuant to Section 12 of the SEBI Act, and the rules, regulations and guidelines issued by SEBI, a stockbroker, sub-broker and depository participant or any other intermediary associated with the securities market, may buy, sell or deal in securities only after obtaining a valid certificate of registration from SEBI in accordance with the applicable Regulations.

Further, the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 provides the eligibility criteria and conditions required to be satisfied in order to obtain the certificate of registration. They further provide the procedure for obtaining the certificate of registration to carry on business as a stock broker and/or a sub broker who is required to be affiliated to a stock broker registered under the aforesaid regulations. On registration, the stockbroker and sub-broker are required to adhere to a code of conduct prescribed under the SEBI (Stock Brokers and Sub-Brokers) Regulations. In addition, a stock broker and/or a sub-broker is required to abide by the rules, regulations and bye-laws of the stock exchange or stock exchanges of which it is a member. Further, in case of any change in its status or constitution, the stock broker and/or the sub-broker are required to obtain the prior permission of SEBI in order to continue to buy, sell or deal in securities in any stock exchange.

Apart from the registration of stockbrokers and sub-brokers, the Stock Broker Regulations provide for registration of trading and clearing members. A trading member is a member of the derivatives exchange or derivatives segment of a stock exchange and who settles the trade in the clearing corporation or clearing house through a clearing member. A clearing member is a member of a clearing corporation or clearing house of the derivative exchange or derivatives segment of an exchange, which clears and settles transactions in securities.

The code of conduct specified for stock brokers is applicable *mutatis mutandis* to the trading and clearing members.

3. Depositories Act, 1996

The Depositories Act, 1996 (as amended from time to time) provides for regulation of depositories in securities and other related matters. Every person subscribing to securities offered by an issuer has the option either to receive the security certificates or hold securities with a depository. All securities held by a depository are required to be dematerialised and in a fungible form. A depository after obtaining a certificate of commencement of business from SEBI can enter into an agreement with one or more participants as its agent. Any person, through a participant, may enter into an agreement with any depository for availing its services.

4. Depository Regulations

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time ("Depository Regulations") provide *inter alia* the eligibility criteria and the procedure for obtaining the certificate of registration to carry on business as a depository participant. They also provide the various rights and obligations of the depository participants. On registration, the depository participant is required to adhere to a code of conduct prescribed under the Depository Regulations 57. The depository is deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of a beneficial owner. The depository does not have any voting rights or any other rights in respect of securities held by it. The beneficial owner of the securities is entitled to all the rights and benefits and is subjected to all the liabilities in respect of his securities held by a depository.

5. Fit and Proper Person Criteria

The criteria for determination of whether an entity can be registered under any of the above regulations are governed by the SEBI (Criteria for Fit and Proper Person) Regulations, 2004. The Company is also required, as an intermediary, to be registered under the SEBI (Central Database of Market Participants) Regulations, 2003.

6. Securities Contracts (Regulation) Act– 1956

The SCRA seeks to prevent undesirable transactions in securities by regulating the business of dealing in securities and other related matters. The SCRA provides for grant of recognition for stock exchanges by the Central Government. Every recognized stock exchange is required to have in place a set of rules relating to its constitution and bye-laws for the regulation and control of contracts. The bye-laws of the Stock Exchange provide *inter alia* for:

- The opening and closing of markets and the regulation of the hours of trade;
- The fixing, altering or postponing of days for settlements;
- The determination and declaration of market rates, including the opening, closing highest and lowest rates for securities;
- The terms, conditions and incidents of contracts, including the prescription of margin requirements, if any, and conditions relating thereto, and the forms of contracts in writing;
- The regulation of the entering into, making, performance, recession and termination of contracts, including contracts between members or between a member and his constituent.

7. Stock Exchange Rules, Regulations and Bye-laws

Our Company is also regulated by the rules, regulation and by-laws of the stock exchanges where it is registered as a trading member. Hence it is also governed by the rules, regulations and by-laws of the NSE and the BSE, the stock exchanges on which it is a trading member

8. The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies

is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

9. Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time ("Insider Trading Regulations") govern the law with respect to insider trading in India. The Insider Trading Regulations *inter alia* prohibit all insiders from dealing in securities of a listed company when the insider is in possession of unpublished price sensitive information ("UPSI"). It further prohibits an insider from communicating, counseling or procuring, directly or indirectly, any UPSI to any person who while in possession of such UPSI is likely to deal in such securities..Information is said to be price sensitive if it is likely to materially affect the price of the securities of the company to which it relates. Under the Insider Trading Regulations, the concept of an "insider" is related to those of a connected person and a deemed connected person. A person is said to be connected to a company when he or she is a director, employee or officer in the company or stands in a professional or business relationship with the company and when he or she may reasonably be expected to have access to UPSI and includes *inter alia* market intermediaries, Merchant Bankers, share transfer agents, registrars to an issue, debenture trustees, brokers, Portfolio Managers, investment advisors. The Insider Trading Regulations further provide that all listed companies and organisations associated with the securities market including *inter alia* intermediaries as defined under the SEBI Act, asset management companies, trustees of mutual funds etc. should frame a code of internal procedures and conduct based on the Model Code of Conduct specified under the Insider Trading Regulations.

10. Internet Trading

Internet based trading was approved by SEBI through its Circular No. SMDRP/POLICY/CIR-06/2000 dated January 31, 2000. The circular provides that SEBI registered stock brokers interested in providing internet based trading services must obtain formal permission of the concerned stock exchange. The stock exchange, before giving permission must ensure the fulfillment of certain minimum conditions such as a minimum Net worth of ₹ 5 million, the system used by the broker has provision for security, reliability and confidentiality of data through use of encryption technology and has adequate backup systems and data storage capacity. The broker's web site providing the internet based trading facility should contain information meant for investor protection. Certain mandatory security features are also prescribed in the circular for all internet-based trading systems.

11. Know Your Customer Guidelines

The KYC policies are required to have certain key elements, including *inter alia* customer acceptance policy, customer identification procedures, monitoring of transactions and risk management, adherence to KYC guidelines and the exercise of due diligence by persons authorized by the company.

12. Anti Money Laundering- as per ITSL

The RBI has issued a Master Circular dated July 1, 2009 to ensure that a proper policy frame work for the Prevention of Money Laundering Act, 2002 ("PMLA") is put into place. The PMLA seeks to prevent money laundering and provides for confiscation of property derived from, or involved in money laundering and for other matters connected therewith or incidental thereto.

13. FEMA Regulations-

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications thereunder, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

14. The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the "TP Act") establishes the general principles relating to the transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction for the sale of land.

15. Registration Act, 1908

The Registration Act, 1908 (the "Registration Act") details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of ₹ 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

16. Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

17. Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

18. Shops & Commercial Establishments Acts of the respective States in which Our Company has an established place of business/ office ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner.

19. Other Regulations

The securities market is governed by the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992. The regulations prohibit the dealing by any person or company in securities of any other company when in possession of unpublished price sensitive information of such company. SEBI is empowered to inspect and investigate the books of accounts or other documents of an insider and make appropriate directions, where it deems fit. The regulations also prescribe a model code of conduct to be followed by all companies and organisations associated with the securities markets. Further, the regulations mandate a disclosure of the

number of shares or voting rights held by any person who holds in excess of 5% of the shares or voting rights of a listed company. Any change in the aforementioned shareholding / voting rights must be intimated to the SEBI.

A. TAX RELATED LEGISLATIONS

1. Income Tax Act, 1961

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

2. Service Tax Act

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates

B. INTELLECTUAL PROPERTY RIGHTS

The Trademarks Act, 1999, The Patents Act 1970 and the Copyright Act, 1957 *inter alia* govern the law in relation to intellectual property, including patents, copyrights, trademarks, service marks, brand names, trade names and research works.

HISTORY AND CERTAIN CORPORATE MATTERS

Our History and Corporate Profile

Our company was incorporated at Ahmadabad as Amrapali Capital and Finance Services Limited on May 20, 1994 with the registrar of the company at Gujarat, Dadra & Nagar Haveli and received certificate of commencement on June 15, 1994.

Our company is engaged in the business of share, stock and financial broker. We are the register member of the NSE (National Stock Exchange of India Limited), BSE (Bombay Stock Exchange Limited), MCX-SX and United Stock Exchange India Limited. The company is providing various financial services under one roof that are well diversified from trading services in Equity, Future & Options segment and Currency derivatives segment

Changes in Registered Office

At present, the registered office of the company is situated at Shop No.3, Ground Floor, Ashoka Complex, B/H. Woodland Hotel, Naroli Cross Road, Silvassa-396230, Dadra & Nagar Haveli. Changes in registered office since its incorporation to till date are set forth as under:

Sr. No.	Registered Office		With Effect From
	Shifted From	Shifted To	
1	289, New Cloth Market, Ahmedabad-38002 Gujarat.	19/20/21, 3 rd Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad-380009 Gujarat.	December 14, 1996
2	19/20/21, 3 rd Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad-380009 Gujarat.	Shop No.3, Ground Floor, Ashoka Complex, B/H. Woodland Hotel, Naroli Cross Road, Silvassa-396230, Dadra & Nagar Haveli.	March 11, 2011

Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

Date of Shareholders' Resolution	Reason of Amendment
June 18, 1994	The authorized shares capital of ₹ 20,00,000 divided into 2,00,000, equity shares of ₹ 10 each was increased to ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each.
March 1, 2001	The authorized shares capital of ₹ 1,00,00,000 divided into 10,00,000, equity shares of ₹ 10 each was increased to ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹ 10 each.
November 28, 2001	The authorized shares capital of ₹ 2,00,00,000 divided into 20,00,000, equity shares of ₹ 10 each was increased to ₹ 3,75,00,000 divided into 37,50,000 equity shares of ₹ 10 each.
August 5, 2004	The authorized shares capital of ₹ 3,75,00,000 divided into 37,50,000 equity shares of ₹ 10 each was increased to ₹ 4,75,00,000 divided into 47,50,000 equity shares of ₹ 10 each.
April 1, 2006	The authorized shares capital of ₹ 4,75,00,000 divided into 47,50,000 equity shares of ₹ 10 each was increased to ₹ 6,75,00,000 divided into 67,50,000 equity shares of ₹ 10 each.

March 10, 2007	The authorized shares capital of ₹ 6,75,00,000 divided into 67,50,000 equity shares of ₹ 10 each was increased to ₹ 7,50,00,000 divided into 75,00,000 equity shares of ₹ 10 each.
October 29, 2007	The authorized shares capital of ₹ 7,50,00,000 divided into 75,00,000 equity shares of ₹ 10 each was increased to ₹ 8,50,00,000 divided into 85,00,000 equity shares of ₹ 10 each.
August 25, 2009	Change in Object Clause of Memorandum of Association by inclusion of following object as additional main object of the company. "To act as a Depository Participant of Central Depository Services (India) Limited (CDSL) and/or national Securities Depository Limited (NSDL) to provide depository services".
October 15, 2010	Due to Change in Clause II of Memorandum of Association for shifting of registered office from "State of Gujarat" to "Union Territory of Dadra & Nagar Haveli.
March 18, 2013	The authorized shares capital of ₹ 8,50,00,000 divided into 85,00,000 equity shares of ₹ 10 each was increased to ₹ 10,00,00,000 divided into 1,00,00,000 equity shares of ₹ 10 each.

Major Events

The major events of the company since its incorporation in the particular financial year are as under:

Financial Year	Events
1995-1996	Obtained Trading Membership of National Stock Exchange of India Limited as a Stock Broker for carrying on the activities of buying, selling or dealing in securities and such other activities as are permitted by such Stock Exchange(s).
2002-2003	Obtained Trading and Clearing Membership of National Stock Exchange of India Limited in derivatives exchange / derivatives segment / clearing corporation / clearing house as trading and clearing member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house.
2005-2006	Obtained Multiple Membership of Bombay Stock Exchange Limited as a Stock Broker for carrying on the activities of buying, selling or dealing in securities and such other activities as are permitted by such Stock Exchange(s).
2006-2007	Obtained Trading Membership of Bombay Stock Exchange Limited in derivatives exchange / derivative segment/ clearing corporation/clearing house as trading member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house.
2008-2009	Obtained Trading and Clearing Membership of National Stock Exchange of India Limited in currency derivatives segment / clearing corporation / clearing house as trading and clearing member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house.
2008-2009	Obtained Trading and Clearing Membership of MCX Stock Exchange Limited in currency derivatives segment/ clearing corporation / clearing house as trading and clearing member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s) / clearing corporation / clearing house.
2009-2010	Obtained Registration as a Participant of National Securities Depository Limited.
2010-2011	Obtained Trading Membership of United Stock Exchange of India Limited in currency derivatives segment/ clearing corporation / clearing house as trading member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s), clearing corporation / clearing house.
2011-2012	Surrender of Certificate of Registration of Clearing Membership of Bombay Stock Exchange Limited in Derivative Segment.

2012-2013	<ul style="list-style-type: none"> ❖ Surrender of Certificate of Registration of Clearing Membership of United Stock Exchange of India Limited in Currency Derivative Segment. ❖ Obtained Trading, Clearing Membership MCX Stock Exchange Limited in derivatives exchange / derivatives segment / clearing corporation / clearing house as trading and clearing member for carrying on the activities of dealing in the same and such other activities as are permitted by such exchange(s) / segment(s) / clearing corporation / clearing house. ❖ Obtained Multiple Membership of MCX Stock Exchange Limited as a Stock Broker for carrying on the activities of buying, selling or dealing in securities and such other activities as are permitted by such Stock Exchange(s). ❖ Registered as Market Maker with BSE SME ❖ Registered as depository participant in commodity segment with NCDEX.
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Subsidiaries/Holdings of the company

Our Company does not have any subsidiary company and company is not a holding company, as on date of filing of the Prospectus.

Injunction and restraining order

Our company is not under any injunction or restraining order, as on date of filing of the Prospectus.

Managerial Competence

For managerial Competence please refer to the section “Our management “on Page no 88 of the prospectus.

Acquisitions / Amalgamations / Mergers/ Revaluation of assets

No acquisitions / amalgamations / mergers or re valuation of assets have been done by the company.

Total number of Shareholders of Our Company

As on the date of filing of this Prospectus, the total numbers of equity share holders are 19. For more details on the shareholding of the members, please see the section titled “Capital Structure” at page 39.

Main Objects as set out in the Memorandum of Association of the Company

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

1. To act as share, stock and finance brokers, as consultants on behalf of individuals, Firms, companies or other persons in relation to shares, stocks, bonds, securities, units, debentures, fixed and other deposits, to assist, to control, negotiate loans and underwriting contracts, to act as lead manager , merchant bankers, Registrar to the issue , managing and issue brokers for issue of shares, debentures and other securities , to act as underwriters, transfer agents and registrar to the issue , to take up membership of any stock exchange, OTC exchange or of other exchanges , to act as sponsor and market makers.
2. To act as a Depository Participant of Central Depository Services (India) Limited (CDSL) and/or national Securities Depository Limited (NSDL) to provide depository services.

Shareholders’ Agreements

Our Company has not entered into any shareholders agreement as on the date of filing this Prospectus.

Other Agreements

Except as stated elsewhere in this Prospectus and except various agreements/contracts, which have been entered in regular course of business with our clients / brokers and lenders, there are no other material agreements or contracts.

Strategic Partners

Our Company has not entered into any strategic partners as on the date of filing this Prospectus.

Financial Partners

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Prospectus.

Our Management

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than twelve (12) directors. Our Company currently has 5 directors on Board of which 3 (three) are Independent directors and 2 (two) are Executive Directors, they are:

1. Chairman & Managing Director - Mr. Chirag Thakkar
2. Executive Director - Mr. Ashwin Shah
3. Independent Director - Mr. Hasmukh Thakkar
4. Independent Director - Mr. Shankar Bhagat
5. Independent Director - Mr. Saurabh Shah

The Following table sets forth details regarding the Board of Directors as of the date of this Prospectus:-

Name, Father's Name, Address, Age, Designation, Status, DIN , Occupation and Nationality	Qualification & No. of Years of Experience	Date of Appointment and Term	Other Directorships
Name : Mr. Chirag Thakkar Father's Name: Mr. Yashwanthbhai Thakkar Address : Plot 128, Lane - 4, Sector- 7, Satyagrah Chhavni Co-Op Housing Soc. Ltd., Satellite, Ahmedabad -380015 Age : 27 Years Designation :Chairman & Managing Director Status : Executive & Non Independent DIN : 01993020 Occupation : Business Nationality : Indian	B.Com Experience- More than 7 Years	March 1, 2008 Term: Holds office for a period of 5 years till March 31, 2015	1.Amrपाली Fincap Private Limited
Name : Mr. Ashwin Shah Father's Name: Mr. Parsotamdas Shah Address : C-801, Samrajya Apartment, Manav-Mandir, Memnagar, Ahmedabad -380052 Age : 61 Years Designation : Director Status : Executive & Non Independent DIN : 01528910 Occupation : Profession Nationality : Indian	B. Com Experience- 32 Years	June 11, 2007 Term: Liable to retire by Rotation	1.Andrea Construction Private Limited
Name : Mr. Hasmukh Thakkar Father's Name: Mr. Arvindbhai Thakkar Address : 29, Rajdhani Bunlows, Nr. Ramwadi, Isanpur, Ahmedabad - 382443 Age : 36 Years Designation : Director Status : Non Executive & Independent DIN : 00071065 Occupation : Business Nationality : Indian	B. Com Experience- More than 13 Years	September 14, 2004 Term : Liable to retire by rotation	1. Ananias Construction Private Limited 2. Andrea Construction Private Limited 3. Esha Farm Private Limited 4. Aklima Construction Private Limited 5. Akshi Ship Breaking Private Limited 6. Aleina Ship Breaking Private Limited*

Name : Mr. Shankar Bhagat Father's Name: Mr. Ramdeo Bhagat Address : B-9 Goyal Plaza, Judges Bungalow Road, Vastrapur, Ahmedabad-380015 Age : 61 Years Designation : Director Status : Non Executive & Independent DIN : 01359807 Occupation : Professional Nationality : Indian	B.Com and Chartered Accountant Experience- more than 27 Years	June 17, 2013 Term: Liable to retire by Rotation	1.Amradeep Industries Limited 2.Kappac Pharma Limited 3.Pressure Sensitive Systems (India) Limited 4.Rushil Decor Limited 5. Minal Industries Limited
Name : Mr. Saurabh Shah Father's Name: Mr. Balkrishna Shah Address : 10, Yogi Duplex , 132 ring road , beside satellite over bridge , Nr Shilp Siddhi Flats, Ahmedabad 380051 Age : 59 Designation : Director Status : Non Executive & Independent DIN : 06583142 Occupation : Professional Nationality : Indian	B.com and Company Secretary	June 17, 2013 Term: Liable to retire by Rotation	1.Amrपाली Fincap Private Limited

*The Company is under process of Striking off.

As on the date of the Prospectus:

- A. None of the above mentioned Directors are on the RBI List of willful defaulters.
- B. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

Relationship between the Directors

None of the Directors of our company are relatives of each other, in terms of the Companies Act, 1956.

Arrangement and understanding with major shareholders, customers, suppliers and others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

Service Contracts

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company Except statutory benefits upon termination of their employment in our Company or retirement, No officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board of Directors

The Board of Directors of our Company has power to borrow up to ₹ 100 Crores as per members resolution passed at the Extra Ordinary General meeting of our Company held on May 5, 2013. The extract of the resolution passed by the company authorizing the Board borrowing powers is given herein below:-

“RESOLVED THAT the Board of Directors of the Company be and are hereby authorized pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 to borrow any sum(s), from time to time, on such terms and conditions as may be suitably agreed by the Board of Directors, notwithstanding that the money(s) to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s banker in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves provided however, that the total amount so borrowed shall not exceed Rs 100 Crore (Rupees One Hundred Crores Only).

Brief Profiles of Our Directors

1. Mr. Chirag Thakkar
2. Mr. Ashwin Shah
3. Mr. Hasmukh Thakkar
4. Mr. Shankar Bhagat
5. Mr. Saurabh Shah

Mr. Chirag Thakkar

Mr. Chirag Thakkar aged 27 years is promoter of the company. He is a commerce graduate and after completion of his graduation he joined the M/s Amrapali Industries Limited, a company promoted by his family and was looking after bullion and commodity market for two years. He has been associated with our company since last five years as Chairman & Managing Director and is looking after overall operations of the Company. He is having wide experience of seven years in the field of stock, currency and commodity broking business.

Mr. Ashwin Shah

Mr. Ashwin Shah, aged 61 years B.com and C.A.I.I.B.part 1 is the Executive Director of the company. He has joined Allahabad Bank in the year 1976. In the year 1987 he has been promoted as Manager and worked in various branches of the Allahabad Bank for 17 years as Branch Manager. In the year 2004 he had taken voluntary retirement from the bank. He had been appointed as Executive Director of the company in the year 2007. He is looking after banking and DP Operation of the company.

Mr. Hasmukh Thakkar

Mr. Hasmukh Thakkar aged 36 years is non executive and Independent director of the Company. He is a commerce graduate after completion of his graduation he joined the M/s Amrapali Industries Limited (AIL) as an accountant. After worked as an accountant in the initial period of three years and when the AIL has got the memberships of MCX, NCDEX, ICEX, NMCE, ACE (Stock Exchanges) etc, he has started looking after finance and arbitrage relating to bullion and commodity trading activities.

Mr. Shankar Prasad Bhagat

Mr. Shankar Prasad Bhagat aged, 61 years is an Independent Director. He is a Chartered Accountant in whole time practice having more than 27 years of experience in the field of accounts and finance.

Mr. Saurabh Shah

Mr. Saurabh Shah is aged 59 years is an Independent Director. He is commerce graduate and holds a degree of Company Secretary from ICSI. He is gold medalist for securing highest marks in S.S.C Exam from Haridas Achartdas Trust. He is having wide experience of 31 years in the field company law matters and finance.

Compensation and Benefits to the Managing Director and Executive Director are as follows:

Mr. Chirag Thakkar has been appointed as the Managing Director of the company with effect from April 1, 2010 for a period of five years.

The remuneration payable is as follows:

Name	Mr. Chirag Thakkar
Date of Appointment	April 1, 2010
Period	5 years
Salary	₹ 12000 (From April 2010 to March 2012) ₹ 18000 (From April 2012)

Mr. Ashwin Shah is re-appointed as an Executive Director of the Company with effect from June 11, 2012 for a period of five years.

The remuneration payable is as follows:

Name	Mr. Ashwin Shah
Date of Re - Appointment	June 11, 2012
Period	5 Years
Salary	₹ 15200 (From June, 2012 to March, 2013) ₹ 16500 (From April, 2013)

Sitting fees payable to Non Executive Directors.

Till date we have not paid any sitting fees to our Non- Executive Directors.

Shareholding of Directors

The shareholding of our directors as on the date of this Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Chirag Thakkar	13,52,500	Executive and Non - Independent
2.	Mr. Ashwin Shah	50,000	Executive and Non - Independent
3.	Mr. Hasmukh Thakkar	50,000	Non Executive and Independent
4.	Mr. Shankar Bhagat	Nil	Non Executive and Independent
5.	Mr. Saurabh Shah	Nil	Non Executive and Independent

Interest of Directors

Except as stated/referred to in the paragraph titled "Immovable Property" beginning on page 74 of the Prospectus, our Directors do not have any interest:

- I. In the promotion of our Company; or
- II. In any property acquired by our Company within two years from the date of the Prospectus, or proposed to be acquired by our Company.

All the non executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the

contracts, agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under Related Party Transaction on page no 120 of this Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Prospectus in which our directors are interested directly or indirectly.

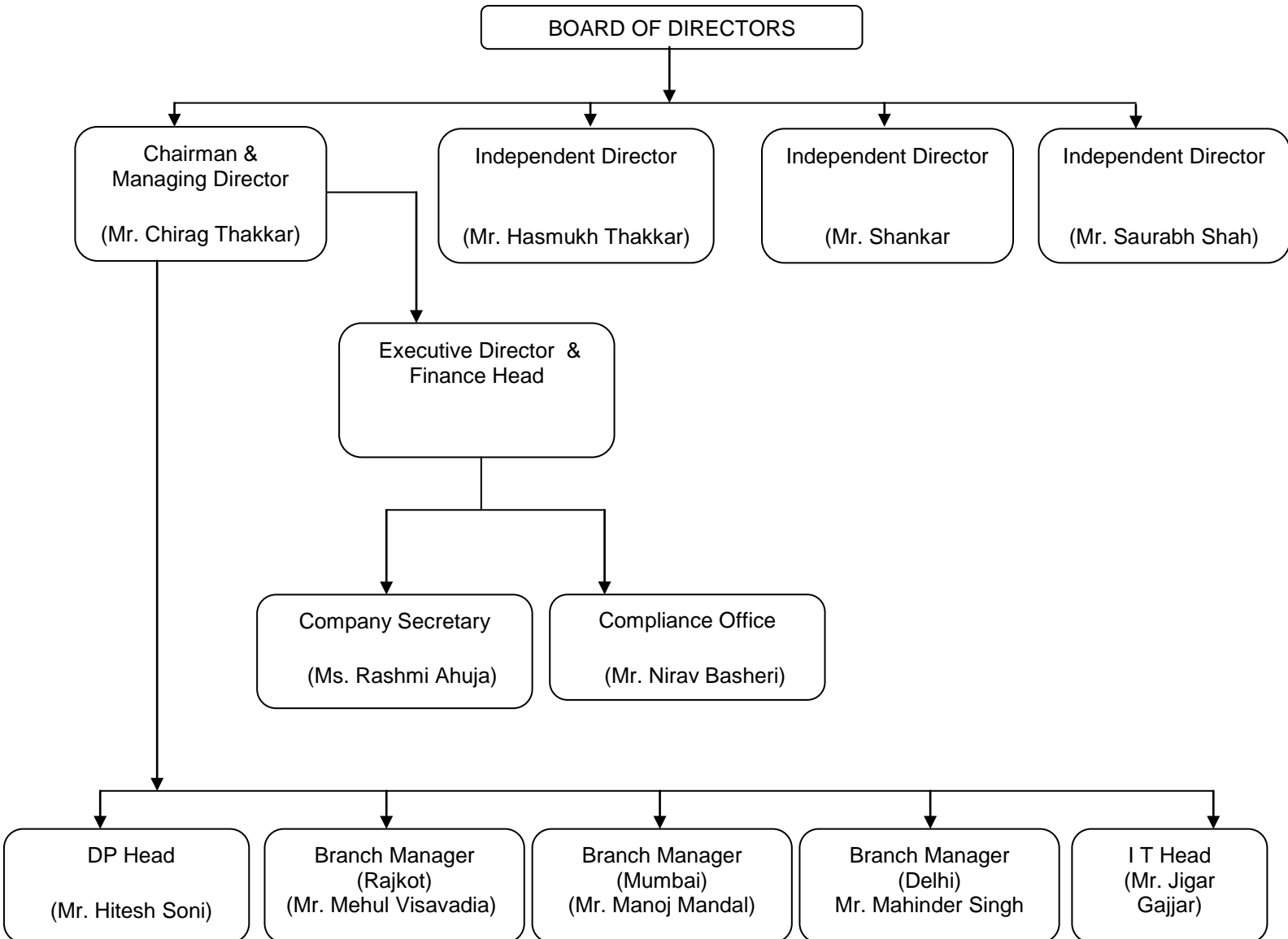
Changes in the Board of Directors during the Last Three Years

Name of Directors	Date of Appointment	Date of change in Designation	Date of Cessation	Reason for the changes in the board
Mr. Ashwinkumar B. Shah	-	-	September 26, 2012	Cessation
Mr. Shankar Bhagat	June 17, 2013	-		Appointment
Mr. Saurabh Shah	June 17, 2013	-		Appointment

Management Organization Structure

The Management Organization Structure of the company is depicted from the following chart:

Management Organization Chart



Corporate Governance

The provisions of the SME Equity Listing Agreement with respect to corporate governance and SEBI ICDR Regulations in respect of corporate governance will be applicable to our Company immediately upon the listing of its Equity Shares on SME Platform of BSE. Our Company has complied with the corporate governance code in accordance with Clause 52 of the SME Equity Listing Agreement to be entered into with the Stock Exchange, particularly, in relation to appointment of independent directors to our Board and constitution of an audit committee, and a shareholders' grievance committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Composition of Board of Directors

Currently the Board has Five Directors, of which the Chairman of the Board is Executive Director. In compliance with the requirements of Clause 52 of the SME Listing Agreement, our Company has two executive Directors and three independent and non-executive Directors, on the Board.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No	Board of Directors	Designation	Status	DIN
1.	Mr. Chirag Thakkar	Managing Director	Non-Independent	01993020
2.	Mr. Ashwin Shah	Executive	Non-Independent	01528910
3.	Mr. Hasmukh Thakkar	Non Executive	Independent	00071065
4.	Mr. Shankar Bhagat	Non Executive	Independent	01359807
5.	Mr. Saurabh Shah	Non Executive	Independent	06583142

Constitutions of Committees

In terms of Clause 52 of SME Listing Agreement, our company has already appointed Independent Directors and constituted the following Committees of the Board:

1. Audit Committee.

2. Share Holders/ Investors Grievance Committee.

1 .Audit Committee:

Our Company in compliance to clause 52 of SME Listing agreement constituted Audit Committee in the Board Meeting held on June 17, 2013 by inducting Independent directors as committee members.

The members of the Audit Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Shankar Bhagat	Chairman	Independent Director
Mr. Saurabh Shah	Member	Independent Director
Mr. Hasmukh Thakkar	Member	Independent Director

Our Company Secretary will act as the secretary of the Committee.

Terms of Reference

The terms of reference of Audit Committee comply with the requirements of Clause 52 of the Listing Agreement.

Role of Audit Committee

The scope of audit committee shall include but shall not be restricted to the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the 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
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
7. 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;
8. Discussion with internal auditors any significant findings and follow up there on;
9. 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;
10. 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;
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Powers of the Audit Committee:

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

2. Shareholders/ Investor's Grievances Committee

Our company has constituted Shareholders/Investors grievance committee in compliance with the clause 52 of the SME Listing Agreement vide resolution passed in the Board Meeting held on June 17, 2013. This committee will redress all grievances of Shareholders/Investors.

The members of the Shareholders/ Investor's Grievances Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Saurabh Shah	Chairman	Independent Director
Mr. Hasmukh Thakkar	Member	Independent Director
Mr. Chirag Thakkar	Member	Non-Independent Director

Our Company Secretary will act as the secretary of the Committee.

Terms of Reference

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;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Allotment and listing of shares;
- Dematerialization/Re materialization of Share
- 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;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Our Key Management Personnel

The Key Managerial Personnel of our Company other than our Executive Director are as follows:-

Name, Age, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid In previous year (2012-13) (₹ in Lakhs)
Mr. Nirav Basher Age: 34 Years Designation : Compliance Officer DOJ : November, 2007	B.Com	Monarch Project Finmarket Limited	10 Years	4.29
Mr. Hitesh Soni Age: 32 years Designation : DP Head DOJ: September, 2010	M.Com.	India Infoline Limited	10 Years	2.66
Mr. Jigar Gajjar Age: 36 Years Designation: IT Head DOJ : December , 2006	B.Com.	Angle Capital and Debt Market Limited	9 Years	1.56
Ms. Rashmi Aahuja Age: 32 years Designation: Company Secretary DOJ: February, 2013	B.Com and ACS	Sai Flipped Coil Limited	8 Years	-
Mr. Mehul Visavadia Age: 35 years Designation: Branch Manger (Rajkot) DOJ: March, 2011	B.Com	Marwadi Shares & Stock Private Ltd.	13 Years	1.84
Mr. Manoj Mandal Age: 42 years Designation: Branch Manger, (Mumbai) DOJ: August, 1998	S. Y. B.Com	-	20 Years	2.47

Mr. Maninder Singh Age: 38 Years Designation: Branch Manager, (Delhi) DOJ: October, 2007	B.E (Electronic s)	Self Employed (Own Business)	12 Years	2.60
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Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company.

Relationship of Key Managerial Personnel

None of the Key Management Personnel of our Company are related to each other.

Shareholding of the Key Management Personnel

None of the Key Management Personnel hold any Shares in our Company.

Bonus or Profit sharing plan for the Key Management Personnel

Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel.

Changes in the Key Management Personnel

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Prospectus, otherwise than by way of retirement in due course.

Name	Designation	Date of Appointment	Date of Cessation	Reason of changes
Ms. Rashmi Aahuja	Company Secretary	February 1, 2013	-	Appointment

Employee Stock Option Scheme

As on the date of filing of Draft Prospectus company does not have any ESOP Scheme for its employees.

Relation of the Key Managerial Personnel with our Promoters/ Directors


None of our Key Managerial Personnel are related to our Promoters/Directors.

Payment of Benefit to Officers of our Company (non-salary related)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

OUR PROMOTERS AND PROMOTER GROUP

Mr. Chirag Thakkar	
	
Permanent Account Number	ADMPT4186H
Passport Number	G2941060
Driving License	GJ01-046680-04
Name of Bank	Allahabad Bank
Bank Account Number	20008627309
Residential Address	128/4 Satyagrah Chavvni, Satellite Road, Satellite Ahmedabad 380015
<p>Mr. Chirag Thakkar is promoter of the company. He is a commerce graduate and after completion of his graduation he joined the M/s Amrapali Industries Limited, a company promoted by his family and was looking after bullion and commodity market for two years. He has been associated with our company since last five years as Managing Director and is looking after overall operations of the Company. He is having wide experience of seven years in the field of stock, currency and commodity broking business.</p>	

Mr. Monal Thakkar	
	
Permanent Account Number	ACLPT2079H
Passport Number	G2940371
Driving License	GJ01/036366/0B
Name of Bank	Allahabad Bank
Bank Account Number	20008627274
Residential Address	128/4 Satyagrah Chavvni, Satellite Road, Satellite Ahmedabad 380015
<p>Mr. Monal Thakkar is promoter of the company. He is a commerce graduate and after completion of his graduation he joined the M/s Korrwett Capital Investments Private Limited, involved in the business of full fledged money changer activity. He was in charge of overall operation of the company. The company was amalgamated with M/S Amrapali Industries Limited in the year 2008 and from 2008 onwards he is looking after bullion trading business and commodity trading business of M/S Amrapali Industries Limited.</p>	

Confirmations

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our Promoters has been submitted to the Stock Exchange at the time of filing the Prospectus with the Stock Exchange.

Further, we confirm that Permanent Account Number, Bank Account Number, Company Registration Number and addresses of Registrars of Companies where the company is registered have been submitted to the Recognized Stock Exchange at the time of filing the Draft Prospectus with the Stock Exchange.

Further, our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

For details pertaining to other ventures of our Promoters refer chapter titled “Financial Information of our Group Companies” beginning on page 101 of the Prospectus.

Change in the management and control of the Issuer

There has not been any change in the management and control of our Company.

Relationship of Promoters with each other and with our Directors

Name	Relationship
Mr. Chirag Thakkar	Brother of Mr. Monal Thakkar
Mr. Monal Thakkar	Brother of Mr. Chirag Thakkar

Interest of Promoters

Except as stated in —Annexure XV beginning on page 120 of the Prospectus and to the extent of compensation / sitting fees and reimbursement of expenses in accordance with their respective terms of employment, our Promoters do not have any other interest in our business.

Further, our Promoters are also directors on the boards, or are members, or are partners, of certain Promoter Group entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please see the section “Related Party Transactions” on page 103.

Our Promoters do not have any interest in any property acquired by our Company in the period of two (2) years before filing the Prospectus with SEBI. Except as stated otherwise in the Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Prospectus in which the promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements and no such payments are proposed to be made to them.

For further details of the same please refer to heading titled “Properties” beginning on page 74 under chapter titled “Business overview” and —Statement of Related Party Transaction beginning on page 70 and 120 of the Prospectus.

Payment of benefits to our Promoters

Except as stated in the section “Related Party Transactions” on page 103, there has been no payment of benefits to our Promoters during the two years preceding the filing of this Prospectus.

Our Promoter Group

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. Natural persons who are part of our Promoter Group

Relationship promoter	with	Mr. Chirag Thakkar	Mr. Monal Thakkar
Father		Mr. Yashwant Thakkar	Mr. Yashwant Thakkar

Mother	Ms. Veenaben Thakkar	Ms. Veenaben Thakkar
Spouse	Ms. Juhi Chirag Thakkar	Ms. Dharti Thakkar
Son	---	Krishna thakkar
Son's Wife	---	---
Daughter	---	---
Father's Father	Lt. Mr. Amratlal Thakkar	Lt. Mr. Amratlal Thakkar
Father's Mother	Ms. Kamlaben Thakkar	Ms. Kamlaben Thakkar
Mother's Mother	Ms. Godavriben Thakkar	Ms. Godavriben Thakkar
Mother's Father	Mr. Kantibhai Thakkar	Mr. Kantibhai Thakkar
Brother	Mr. Monal Thakkar	Mr. Chirag Thakkar
Sister	---	--
Brother's Wife	Ms. Dharti Thakkar	Ms. Juhi Chirag Thakkar
Sister's Husband	---	---

B. Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	Amrapali Industries Limited Aarna Ship Breaking Private Limited Aklima construction private limited Aakarsha Construction Private Limited Avichal Reality Private Limited Ashrita construction private limited Aashita Construction Private Limited
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Nil
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent	Nil
Partnership firm in which promoter or any of his relative is having interest.	Nil

For further details on our Promoter Group refer Chapter Titled "Financial Information of our Group Companies" beginning on page 101 of Prospectus.

FINANCIAL INFORMATION OF OUR GROUP COMPANIES

1. Amrapali Fincap Private Limited

BREIF CORPORATE HISTORY OF THE COMAPANY

Amrapali Fincap Private Limited was originally incorporated on November 04, 2004 with the register of the company at Gujarat having registered office at 19, 20, 21, Narayan Chambers, 3rd Floor, Behind Patang Hotel, Ashram Road Ahmedabad Gujarat India.

Board of Director

Sr. no	Name	DIN Number
1.	Monal Yashwant Thakkar	00071026
2.	Ganpatbhai Motiram Rawal	00190484
3.	Dharmeshbhai Kalidas Patel	01834678
4.	Chirag Yashwant Thakkar	01993020
5.	Pareshbhai Hiralal Modi	02194240

Interest of promoters

Sr. No	Name	Number of shares held	Percentage (%)
1.	Monal Yashwantbhai Thakkar	5,000	0.05
2.	Chirag Yashwant Thakkar	5,000	0.05

Brief history of financial

(₹ in lacs)

Particular	March 31, 2012	March 31, 2011	March 31, 2010
Equity share capital (ESC)	990	990	990
Reserves (excluding revaluation reserve)	8923.64	8924.96	8919.28
Total Income	7250.01	8013.48	468.00
Profit and loss	-1.32	5.68	8.12
EPS (In Rs)	-0.01	0.06	0.08
Net Asset Value (NAV) (in Rs.)	100.14	100.15	100.09

- ❖ The company is not a listed Company
- ❖ The company is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. The company is not under winding up
- ❖ There are no defaults in meeting any statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the company

Listed companies in the Promoter Group

As on the date of this Prospectus except Amrapali Industries Limited , there are no listed companies in the Promoter Group

Companies with which our promoter have disassociated during last three years

Our Promoter has not been disassociated from any company during the last 3 years

Common Pursuits

Our Group Companies Amrapali Fincap Private Limited has some of the objects similar to that of Our Company's Business.

Sales and purchase between our group and associated companies with our companies

For details, see section titled "Related Party Transactions" on page 103.

Business interest of group companies and associated companies in our company

Except as mentioned under Related Party Transactions, page no 120 beginning on page 105 under Chapter titled "Auditors' Report and Financial Information of Our Company" there is no business interest amongst Group Companies.

Changes in Accounting Policies in the last three years

Except as mentioned under the paragraph Changes in Significant Accounting Policies, "Annexure IV" beginning on page 113 under Chapter titled "Auditors' Report and Financial Information of our Company" beginning on page 105 of the Prospectus, there have been no changes in the accounting policies in the last three years.

RELATED PARTY TRANSACTIONS

For details of the related party transaction of our Company, see Annexure XV and V Notes to Accounts to the financial statements respectively, in “Auditors Report and Financial Information of Our Company” beginning from page 105 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividends since incorporation.

SECTION VI – FINANCIAL INFORMATION

AUDITORS REPORT AND FINANCIAL INFORMATION OF OUR COMPANY

The Board of Directors,
Amrapali Capital & Finance Services Limited,
Shop No. 3, Ground Floor, Ashoka Complex,
B/H. Wood land Hotel, Naroli Cross Road
Silvassa
Dadar Nagar Haveli

Subject: Financial Information of Amrapali Capital & Finance Services Limited

Dear Sir,

We have examined the financial information of Amrapali Capital & Finance Services Limited annexed to this report, initialed by us for identification, which has been prepared in accordance with the requirements of: Paragraph B, of Part II of Schedule II of the Companies Act, 1956 (the Act”), and the amendments thereof

The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement Regulation) 2009 issued by the Securities and Exchange Board of India (“SEBI”) and amendments made thereto from time to time in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992; and

Our engagement with the Company requesting us to examine the financial information referred to above and proposed to be included in the offer document of the Company in connection with its Proposed Issue.

In terms of Schedule VIII, Clause IX of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of the Amrapali Capital & Finance Services Limited, we, M/s. V. J. Amin & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the ‘Peer Review Board’ of the ICAI.

Audit of the financial statements for the year ended 31st March 2013, 31st March 2012, 31st March 2011, 31st March 2010 and 31st March 2009 has been conducted by Company’s Statutory Auditor, M/s. Mehul Thakker & Co. Chartered Accountants. Further, financial statements for the year ended 31st March 2012 and 31st March 2013 has been re-audited by us as required under the SEBI ICDR Regulations. This report, in so far as it relates to the amounts included for the financial years ended 31st March 2011, 31st March 2010 and 31st March 2009 is based on the audited financial statements of the Company which were audited by the Statutory Auditor, M/s. Mehul Thakker & Co, Chartered Accountants and whose Auditors’ report has been relied upon by us for the said periods.

Financial Information of the Company

We have examined:

The attached summary statement of Restated Assets & Liabilities of the Company as at March 31 2009, 2010, 2011, 2012 and 2013 as prepared by the company and approved by the Board of Directors. (Annexure - I).

The accompanying summary statement of Restated Profits & Losses of the Company for the financial year ended March 31 2009, 2010, 2011, 2012 and 2013 as prepared by the Company and approved by the Board of Directors. (Annexure – II)

The accompanying summary statement of cash flow of the company for the financial year ended March 31 2009, 2010, 2011, 2012 and 2013 as prepared by the Company and approved by the Board of Directors (Annexure – III)

These statements reflect the Assets and Liabilities and Profit and Losses for each of the relevant years as extracted from the balance sheet and profit and loss account for those years. These financial statements for all the years have been approved by the Board of Directors of the Company and adopted by

the members of the Company for the respective years. The Restated financial statements have been made after making such adjustments and regroupings and after incorporating material amounts and auditor's qualification requiring adjustments as in our opinion are appropriate and are described fully in the Notes appearing in Annexure V and Annexure VI to this report.

Based on our examination of these summary statements we confirm that the restated financial information has been made in accordance with the provisions of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations, and after incorporating:

Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations.

The prior period items which are required to be adjusted are properly stated.

There are no extra-ordinary items that need to be disclosed separately in the accounts.

The accounting policies applied for each of the years ended March 31 2009, 2010, 2011, 2012 and 2013 is materially consistent with the existing Accounting Standards (Annexure IV).

The Restated profits have been arrived at after charging all expenses including depreciation and after making such adjustments and regrouping as in our opinion are appropriate in the year to which they are related as described in restated Financial Statement.

There was no qualification in the audit reports issued by the statutory auditors for the respective years which would require adjustment in these Restated Financial Statements

Other Financial information

We have also examined the following financial information relating to the Company prepared by the management and approved by the Board of Directors for the purpose of inclusion in the Offer Document:

Statement of Other income as appearing in Annexure VI to this report.

Statement of Accounting Ratios as appearing in Annexure VII to this report.

Statement of Capitalization of the company as appearing in Annexure VIII to this report.

Statement of Tax Shelters as appearing in Annexure IX to this report.

Statement of Long term Borrowings as appearing in Annexure X to this report.

Statement of Trade Receivables as appearing in Annexure XI to this report.

Statement of Long term Loans and Advances as appearing in Annexure XII to this report.

Statement of Short term Loans and Advances as appearing in Annexure XIII to this report.

Statement of Contingent Liabilities as appearing in Annexure XIV to this report.

Statement of Related Party Transaction as appearing in Annexure XV to this report.

Statement of Dividend paid as appearing in Annexure XVI to this report

Statement of Investments as appearing Annexure XVII to this report.

Statement of Adjustments / Restatement as appearing Annexure XVIII to this report.

In our opinion, the above financial information of the Company read with Significant Accounting Policies & Notes to Accounts attached to this report, after making adjustments and regrouping as considered appropriate has been prepared in accordance with Part II of the Schedule II of the Act and the SEBI (ICDR) Regulations issued by SEBI, as amended from time to time subject to and read with other notes.

This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other statutory auditor, nor should this report be construed as a new opinion on any of the financial statements referred therein.

This report is intended solely for your information and for inclusion in the Offer document in connection with the issue of Equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

Thanking you

**For M/s. V. J. Amin & Co.
Chartered Accountants**

**CA. Dharamsinh T Kesharani
Partner**

**Membership Number: 047553
Firm Registration Number. : 100335W
Place : Vadodara
Date : October 05, 2013**

Annexure I :Restated Summary of Assest and Liabilities

(₹ In Lacs)

	Particulars	As at					
		30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A	Non-current assets						
a	Fixed assets						
	Tangible Assets	145.68	127.51	158.01	186.74	191.87	163.29
	Capital work-in-progress		-	-	-	-	-
	Intangible Assets						
		145.68	127.51	158.01	186.74	191.87	163.29
b	Non-current investments	7.26	7.26	7.26	0.83	0.78	0.78
C	Deferred tax assets (net)		-	-	-	-	-
d	Long-term loans and advances	256.56	256.56	252.20	243.96	240.61	210.77
		409.50	391.33	417.47	431.53	433.26	374.84
B	Current Assets						
a	Current Investments		-	-	-	-	-
b	Inventories	1099.39	1,099.39	1,974.15	1,784.50	1,414.61	1,910.66
c	Trade receivables	115.19	721.38	2,631.90	823.28	786.49	615.83
d	Cash and cash equivalents	492.21	1,335.09	1,971.86	2,932.82	6,012.89	4,870.32
e	Short-term loans and advances	5425.45	4220.30	1,014.91	2,459.05	953.77	841.48
f	Other current assets	16.26	22.79	35.61	39.21	209.16	171.77
		7148.50	7,398.95	7,628.43	8,038.86	9,376.92	8,410.06
C	Total assets (C= A + B)	7558.00	7,790.28	8,045.90	8,470.39	9,810.18	8,784.90
D	Non-current Liabilities						
a	Long-term Borrowings	-	-	8.96	35.83	6.97	32.48
b	Other Long Term Liabilities	13.45	13.45	12.71			
c	Deferred tax Liabilities (net)	-	-	-	-	-	-
d	Long-term Provisions	-					

			-	-	-	-	-
		13.45	13.45	21.67	35.83	6.97	32.48
E	Current Liabilities						
a	Short-term Borrowings	-	-	-	1,898.82	-	-
b	Trade payables	2212.27	2,444.48	2,709.29	1,257.22	4,404.29	3,237.34
c	Other current Liabilities	40.64	48.90	45.37	26.87	25.50	155.61
d	Short-term provisions	9.59	7.07	10.25	5.25	132.29	133.28
		2262.50	2,500.45	2,764.91	3,188.16	4,562.08	3,526.23
F	Total liabilities (F= D + E)	2275.95	2,513.90	2,786.58	3,223.99	4,569.05	3,558.71
	Net Worth (C-F)	5282.07	5,276.38	5,259.32	5,246.40	5,241.13	5,226.19
	Net Worth represented by						
G	Share Capital	720.10	720.10	720.10	720.10	720.10	720.10
H	Reserves and Surplus						
a	Securities Premium Account	2907.90	2,907.90	2,907.90	2,907.90	2,907.90	2,907.90
b	Share Application Money		-	-	-	-	-
c	Net Surplus/(Deficit) in the statement of profit and loss	1654.07	1,648.38	1,631.32	1,618.40	1,613.13	1,598.19
		4561.97	4,556.28	4,539.22	4,526.30	4,521.03	4,506.09
	Net Worth (G+H)	5282.07	5,276.38	5,259.32	5,246.40	5,241.13	5,226.19

Annexure II-Restated Summary Statement of Profit and Loss

(₹ in Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Income from continuing operations						
Revenue from operations						
Trading of shares, brokerage and commission	187.17	1367.12	852.14	584.14	1489.45	(632.81)
Other Income	16.89	589.93	275.62	272.29	479.60	613.52
Total Revenue	204.06	1957.05	1127.76	856.43	1969.05	(19.29)
Expenses						
Changes in inventories of finished goods, work-in-progress and stock-in-trade	0	874.77	(189.66)	(369.88)	496.04	(1,169.57)
Employee benefits expense	6.94	42.75	50.25	52.44	59.35	82.89
Finance Costs	12.31	134.75	148.22	161.98	116.81	233.91
Other expenses	165.87	837.04	1,039.38	919.90	1,198.95	737.20
Depreciation and amortisation expenses	10.75	42.98	66.45	81.48	76.71	70.31
Total Expenses	195.87	1932.29	1114.64	845.92	1947.86	(45.26)
Restated profit before tax from continuing operations	8.19	24.76	13.12	10.52	21.19	25.97
Tax expense/(income)						
Current tax	2.53	7.70	0.20	5.25	6.25	7.25
Deferred tax charge/(credit)						
Total tax expense	2.53	7.70	0.20	5.25	6.25	7.25
Restated profit after tax from continuing operations (A)	5.66	17.06	12.92	5.27	14.94	18.72
Discontinuing operation						
Tax Adjustment	-	-	-	-	-	-
Profit before tax from discontinuing	-	-	-	-	-	-

operations						
Tax expense of discontinuing operations	-	-	-	-	-	-
Restated Profit after tax from discontinuing operations (B)	-	-	-	-	-	-
	-	-	-			
Restated profit for the year (A + B)	5.66	17.06	12.92	5.27	14.94	18.72

Annexure III- Restated Summary of Cash Flows

(₹ in Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A. CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxation from continuing operations (as restated)	8.19	24.76	13.12	10.52	21.19	25.97
Net profit before taxation from discontinued operations (as restated)	-	-	-	-	-	-
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	10.75	42.98	66.45	81.48	76.71	70.31
Interest income	(14.53)	(579.82)	(266.27)	(261.38)	(477.43)	(612.42)
Dividend income	(0.13)	(6.32)	(8.20)	(5.13)	(0.02)	-
Interest expense	12.31	134.61	145.35	156.16	116.81	233.90
Operating profit before working capital changes (as restated)	16.59	383.79	49.55	18.35	262.74	282.24
Movement in Working Capital						
(Increase)/decrease in trade receivables	606.20	1,910.52	(1,808.62)	(36.79)	(170.66)	(200.62)
(Increase)/decrease in Inventories	-	874.76	(189.65)	(369.89)	496.05	(1,169.57)
(Increase)/decrease in loans and advances	(1205.15)	(3,205.39)	1,444.14	(1,505.28)	(112.29)	353.12

(Increase)/decrease in LT loans and advances	-	(4.36)	(8.24)	(3.35)	(29.84)	(46.53)
(Increase)/decrease in other current assets	6.53	12.82	3.60	169.95	(37.39)	32.52
Increase/(decrease) in Longterm Liabilities	-	0.74	12.71	-	-	-
Increase/(decrease) in trade payables & others	(240.47)	(261.28)	1,470.57	(3,145.70)	1,036.84	2,436.95
Cash flow from operations	(816.30)	(1055.98)	874.96	(4909.41)	919.97	1123.63
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	-	(10.88)	4.80	(132.29)	(7.25)	(412.38)
Net cash generated from operating activities (A)	(816.30)	(1066.86)	879.76	(5041.70)	912.72	711.25
B. CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(28.93)	(12.48)	(37.71)	(139.51)	(106.40)	(103.29)
Sale of Fixed Assets	-	-	-	63.15	1.12	7.67
Purchase/Sale of investments	-	-	(6.44)	(0.05)	-	-
Interest received	14.53	579.82	266.27	261.38	477.43	612.42
Dividend received	0.13	6.32	8.20	5.13	0.02	-
Net cash used in investing activities (B)	(14.27)	573.66	230.32	190.10	372.18	516.80
C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES						
Proceeds from Borrowings	-	(8.96)	(1,925.69)	1,927.68	(25.51)	(86.29)
Proceeds from issue of Share Capital	-	-	-	-	-	-
Share Capital & Share Application Money	-	-	-	-	-	-
Interest paid	(12.31)	(134.61)	(145.35)	(156.16)	(116.81)	(233.90)
Net cash generated from/(used in) financing activities (C)	(12.31)	(143.57)	(2071.04)	1771.52	(142.32)	(320.19)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(842.88)	(636.77)	(960.96)	(3,080.08)	1,142.58	907.86
Cash and cash equivalents at the beginning of the year	1335.09	1,971.86	2,932.82	6,012.90	4,870.32	3,962.46
Cash and cash equivalents at the end of the year	492.21	1335.09	1,971.86	2,932.82	6,012.90	4,870.32

Annexure-IV SIGNIFICANT ACCOUNTING POLICIES

(1) Accounting Policies:

Significant accounting policies adopted in the preparation and the presentation of the accounts are stated as under. These accounting policies adopted by the company are as per standard accounting practices prescribed by the Institute of Chartered Accountants of India.

Basis of Accounting :

1. Financial statements have been prepared on accrual basis following historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
2. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.
3. All income and expenditure items & assets and liabilities having a material bearing on the financial statements are recognized on accrual basis.

Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and other attributable cost for bringing the asset to working condition for its intended use.

Depreciation:

The company has provided depreciation on fixed assets using the WDV method at the rates prescribed in the Income Tax Rules.

Impairment of Fixed Assets

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of assets exceeds its recoverable amount.

Inventories:

Inventories are valued at cost or market value whichever is lower.

Investments:

Long term investments are stated at cost less provision for diminution other than temporary, if any, in the value of such investments.

Borrowing cost:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expense in the year in which they are incurred.

Provisions, Contingent Liabilities and contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a probable present obligation and outflow of resources as a result of past events.

Liabilities which are of contingent nature (if any) are not provided but are disclosed at their estimated amount in the Notes on Accounts. Contingent assets are neither recognized nor disclosed in financial statements.

Accounting For Taxes on Income:

Taxes on income is computed using the tax effect accounting method whereby such taxes are accrued in the same period as the revenue and expenses to which they relate.

Current Tax Liability is measured using the applicable Tax rate and Tax Laws and the necessary provision is made annually. Deferred tax assets / Liability arising out of the tax effect of the timing difference is measured using the tax rates and the tax laws that have been enacted / substantially enacted at the balance sheet date.

Annexure – V NOTES TO ACCOUNTS

1. Estimated amount of contracts remained to be executed on capital accounts is Nil.
2. Contingent liability in respect of bills discounted with bank is ₹ Nil
3. There is no employee who was in receipt of remuneration, which in aggregate was more than ₹ 60,00,000/- per annum if employed throughout the year and not less than ₹ 5,00,000/- per month if employed for part of the year.
4. The company has not received balance confirmation at the end of Balance sheet date from Sundry creditors and Sundry debtors.
5. Previous years' figures have been regrouped and/or recast wherever necessary.

Annexure VI-Restated Statement of Other Income

(₹ in Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Interest on bank deposits	6.81	101.60	147.14	220.22	471.52	580.88
Interest on loans	7.72	472.33	119.11	39.18	5.91	31.14
Dividend income on current investment (mutual funds)	0.13	6.32	8.22	5.13	0.02	-
LTCG	-	-	-	-	-	-
Other non-operating income						
Rent Received	0.96	3.20	-	-	-	-
Int on Income Tax Refund	-	5.89	-	1.98	-	0.40
Misc.Income	1.27	0.58	1.15	5.78	2.15	1.10
Prior period income adjusted in relevant year	-	-	-	-	-	-
Total Other Income	16.89	589.92	275.62	272.29	479.60	613.52

Annexure VII - Restated Statement of Accounting Ratios

(₹ In lacs)

Particulars		As at					
		30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Basic & diluted earnings per share (Rs.) after considering Bonus Issue	A/B	0.08	0.24	0.18	0.07	0.21	0.26
Return on Net Worth (in Percentage)	A/C	0.11	0.32	0.25	0.10	0.29	0.36
Net Asset Value per equity share (Rs.)	C/D	73.35	73.27	73.04	72.86	72.78	72.58
Net Profit after tax as restated attributable to equity shareholders (Rs. Lacs)	A	5.66	17.06	12.92	5.27	14.94	18.72
Weighted average number of equity shares outstanding at year end	B	7,201,000	7,201,000	7,201,000	7,201,000	7,201,000	7,146,890
Net Worth at the end of the year	C	5,282.07	5,276.38	5,259.32	5,246.40	5,241.13	5,226.19
Total number of equity shares outstanding at the end of the year	D	7,201,000	7,201,000	7,201,000	7,201,000	7,201,000	7,201,000

Notes:-

(a) Basic earnings per share (Rs.) $\frac{\text{Net Profit after tax (as restated) attributable to shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India.

(b) Return on net Worth (%) $\frac{\text{Net Profit after tax as Restated}}{\text{Networth at the end of the Year}}$

(c) Net Asset Value per share (Rs.) $\frac{\text{Net Worth at the end of the year}}{\text{Total Number of Equity Shares Outstanding at the End of the Year}}$

(d) Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of equity share issued during the year multiplied by the time factor. The Time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

(e) EPS not annualized for June 2013.

Annexure : VIII Capitalisation Statement

(₹ in Lacs)

Particular	Pre Issue as on 30-06-2013	Post Issue
Debt		
Long Term Debt	0.00	[•]
Short Term Debt	(0.00)	[•]
Total Debts (A)	(0.00)	[•]
Equity (shareholders' funds)		[•]
Equity share capital	720.10	[•]
Reserve and surplus	4561.97	[•]
Total Equity (B)	5282.07	[•]
Long Term Debt / Equity Shareholders' funds	0.00	[•]
Total Debt / Equity Shareholders' funds	0.00	[•]

Note:

1.For the purpose of calculation of Debt Equity Ratio , the amount of Long Term Debt does not include the Current maturity of Long Term Debt

Annexure : IX Restated Statement of Tax Shelter

(₹. In Lacs)

Particular	June ,30	As on March 31				
	2013	2013	2012	2011	2010	2009
Normal Corporate tax rates	30.90%	30.90 %	30.90%	30.90 %	30.90 %	33.99%
Tax rate on LTCG						
Minimum alternative tax rates	20.00%	20.00 %	20.00%	19.93 %	16.99 %	11.33%
Income from Capital Gains						
LTCG	-	-	-	-	-	-
Total Income from Capital Gains	-	-	-	-	-	-
Tax on Capital Gains	-	-	-	-	-	-
Profit before tax as per Restated P/L	8.19	24.76	13.12	10.52	21.19	25.97
Less: LTCG						
PBT after LTCG	8.19	24.76	13.12	10.52	21.19	25.97
Applicable Corporate Tax Rate	30.90%	30.90 %	30.90%	30.90 %	30.90 %	33.99%
Notional tax as per tax rate on profits (A)	2.53	7.65	4.05	3.25	6.55	8.83
Exempted income						
Mutul fund Interest	-	-	-	-	-	(17.00)
Dividend	-	-	-	(5.13)	(0.01)	-

Total Exempted Income (B)	-	-	-	(5.13)	(0.01)	(17.00)
<u>Tax Adjustments</u>	=	-	-	-	-	-
<u>Permanent Difference</u>	=	-	-	-	-	-
Donation	-	-	1.16	0.51	0.37	-
Penalty	-	-	20.82	1.11	-	-
P & P Expenses	-	-	-	2.87	-	-
Others	-	-	0.28	-	-	-
Total Permanent Difference (C)	-	-	22.26	4.49	0.37	-
<u>Timing Difference</u>	=	-	-	-	-	-
Depreciation - including unabsorbed depn	-	-	-	0.06	-	7.43
Total Timing Difference (D)	-	-	-	0.06	-	7.43
Total Adjustments (E) = (B+C+D)	-	-	22.26	(0.58)	0.36	(9.57)
Tax Expenses / (savings) thereon (F)=(E)*Tax rate	-	-	6.88	(0.18)	0.11	(3.25)
Tax payable as per normal provisions (other than 115JB)of the Act (G)	2.53	7.65	10.93	3.07	6.66	5.58
MAT tax rate (H)	20.00%	20.00 %	20.00%	19.93 %	16.99 %	11.33%
Tax under MAT (I)	1.64	4.95	2.63	1.07	3.60	1.02
Tax payable for the year maximum of (G) or (I)	2.53	7.65	10.93	3.07	6.66	5.58

Annexure X : Restated Statement of Long Term Borrowings

(₹ In Lacs)

Particulars	As at				
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010
Long term-borrowings					
Rupee term loans (secured)					
From banks & others	-	-	-	-	-
From Banks (Vehicle loans)	-	-	8.96	35.83	6.97
Total Secured loans	-	-	8.96	35.83	6.97
Other (unsecured)	-	-	-	-	-
Total Long-Term Borrowings	-	-	8.96	35.83	6.97

Annexure XI : Restated Statement Trade Receivables (unsecured, considered good)

(₹. In Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Outstanding for a period less than six months from the date they are due for payment	115.19	721.38	2,631.90	823.28	786.49	615.83
Other trade receivables						
Total	115.19	721.38	2,631.90	823.28	786.49	615.83
Amount due from Promoter/Group Co./Directors						
*Outstanding for a period not exceeding six months from the date they are due for payment						
Chirag Y. Thakkar	-	4.74	-	118.28	-	-
Hasmukh A.Thakkar	0.93	(0.15)	(0.06)	-	0.15	-
Yashwant A.Thakkar	-	3.06	-	67.91	13.45	-
Dhartiben M.Thakkar	-	75.36	-	36.11	-	-
Juhi Chirag Thakkar	-	-	-	0.00	-	-
Monal Y. Thakkar	-	18.96	-	9.09	-	-
Veenaben A.Thakkar	-	-	-	(8.19)	-	-
Amrapali Fincap Pvt.Ltd.	-	(624.92)	109.80	(526.94)	-	-
Avichal Reality Pvt.Ltd.	-	-	-	125.90	-	-
Sub-Total	0.93	(522.95)	109.74	(177.84)	13.60	-
Amount due from others:						
Trade	114.26					

receivables		1244.33	2,522.16	1,001.12	772.89	615.83
Sub-Total	114.26	1244.33	2,522.16	1,001.12	772.89	615.83
TOTAL	115.19	721.38	2,631.90	823.28	786.49	615.83

* Outstanding amount represents net figures after debit and credit during the year.

Annexure XII : Restated Statement of Long Term loans and Advances

(₹. In Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A. Long-term loans and advances						
Unsecured, considered good	-	-	-	-	-	-
Loans and advances to related parties	-	-	-	-	-	-
Capital advances						
Security deposits others	256.56	256.56	252.20	243.96	221.99	197.04
Security Deposits to Government	-	-	-		18.62	13.73
Security deposits to related parties	-	-	-			-
Other loans and advances	-	-	-	-	-	
Prepaid expense	-	-				
Total Long-term loans and advances (A)	256.56	256.56	252.20	243.96	240.61	210.77
Amounts due from Directors / Promoters / Promoter Group Companies / Relatives of Promoters / Relatives of Directors / Subsidiary Companies						
Total(B)	-	-	-	-	-	-
Total (A+B)	256.56	256.56	252.20	243.96	240.61	210.77

Annexure XIII : Restated Statement of Short Term loans and Advances

(₹. In Lacs)

Particulars	As at					
	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A. Short-term loans and						

advances						
Unsecured, considered good	-	-	-	-	-	-
Loans and advances to related parties	-	-	-	-	-	-
Advance to Suppliers	-	-	-	-	-	-
Other loans and advances	-					
With govt. authorities(TDS)	70.90	69.30	82.77	61.56	111.31	80.99
With Employees	1.95	1.19	0.86	1.84	2.16	2.89
Others	5,352.60	4,149.82	931.28	2,395.65	840.30	757.60
Prepaid expenses	-	-	-	-	-	-
Total loans & advances (A)	5,425.45	4,220.31	1,014.91	2,459.05	953.77	841.48

Amounts due from Directors/Promoters/Promoter Group Companies/Relativesatives of Promoters/Relative s of Directors/Subsidiaries Companies

		As at				
Particulars	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Amrapali Fincap Pvt.Ltd.	2268.30	-	245.58	-	-	-
Esha Farms Pvt.Ltd.	581.86	-	581.86	581.86	581.86	581.86
Aashwina Construction Pvt.ltd.	904.22	-	796.65	-	-	-
Total	3754.38	-	1,624.09	581.86	581.86	581.86

Annexure XIV : Restated Statement of Contingent Liabilities

(₹. In Lacs)

		As at				
Particulars	30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
	-	-	-	-	-	-

Annexure XV : Restated Statement of Related Party Transactions

(₹. In Lacs)

Nature of Transaction / Name of Related Party	June 30,	As At March 31,
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		2013	2013	2012	2011	2010	2009
Remuneration and allowance	Nature of relationship						
Mr. Chirag Y. Thakkar	Director	0.36	1.44	1.44	1.44	1.44	0.96
Total		0.36	1.44	1.44	1.44	1.44	0.96
Interest on Loan Paid							
M/s. Amrapali Fincap Private Limited				27.19	18.69		
Total			-	27.09	18.69	-	-
Interest on Loan Received							
M/s. Amrapali Fincap Private Limited			257.34	-	-	-	15.03
M/s. Aashwina Construction Private Limited			119.51	-	-	-	-
Total			376.85	-	-	-	15.03
Brokrage Received							
Mr. Chirag Y. Thakkar			0.71	4.49	0.19	-	0.35
Mr. Hasmukh A. Thakkar			-	0.01	-	-	-
Mr. Yashwant A. Thakkar			-	3.81	0.19	-	0.07
Ms. Dhartiben M. Thakkar			0.89	0.55	0.27	0.03	0.10
Ms. Juhi Chirag Thakkar			0.06	0.69	0.27	-	-
Monal Y. Thacker			0.03	-	-	-	-
Ms. Veenaben A. Thakkar			0.03	0.75	-	-	-
M/s. Amrapali Fincap Private Limited			76.49	78.17	1.19	0.33	-
M/s. Avichal Reality			-	1.86	0.21	0.04	0.02

Private Ltd.		0.01					
Total		0.01	78.21	90.30	2.32	0.40	0.54
Outstanding Receivables							
Mr. Chirag Y. Thakkar			4.74	-	118.28	-	-
Mr. Hasmukh A. Thakkar		0.93	(0.15)	(0.06)	-	0.15	-
Mr. Yashwant A. Thakkar			3.60	-	67.91	13.45	-
Ms. Dhartiben M. Thakkar			75.36	-	36.11	-	-
Ms. Juhi Chirag Thakkar			-	-	0.00	-	-
Mr. Monal Y. Thakkar			18.96	-	9.09	-	-
Ms. Veenaben A. Thakkar			-	-	(8.19)	-	-
M/s. Amrapali Fincap Private Limited			(624.92)	109.80	(526.94)	-	-
M/s. Avichal Reality Private Limited		(761.82)	-	-	125.90	-	-
Total		(760.89)	(522.95)	109.74	(177.84)	13.60	-
Outstanding Loans & Advances (Assests)							
M/s. Amrapali Fincap Private Limited		2268.30	-	245.58	-	-	-
M/s. Esha Farms Private Limited		581.86	-	581.86	581.86	581.86	581.86
M/s. Aashwina Construction Private Limited		904.22	-	796.65	-	-	-
Total		3754.38	-	1,624.09	581.86	581.86	581.86
Short Term Borrowings							
M/s. Amrapali Fincap			-	-	852.11	-	-

Private Limited		123.32					
Total		123.32	-	-	852.11	-	-

Annexure XVI: Statement of Dividend Declared

(₹. In Lacs)

Particulars	June 30th 2013	As at March 31				
		2013	2012	2011	2010	2009
Dividend	-	-	-	-	-	-

Annexure XVII: Restated Statement of Investment

(₹. In Lacs)

Particulars	June 30th 2013	As on March 31				
		2013	2012	2011	2010	2009
NON CURRENT INVESTMENTS						
A) Long Term Investments						
Book Value						
- Unquoted						
Akshar Entertainment Pvt. Ltd.	-	-	-	-	-	-
Charotar Nagarik Bank Ltd.	0.03	0.03	0.03	0.03	0.03	0.03
Shares of BSE Ltd.	0.05	0.05	0.05	0.05	-	-
Investment in Mutual Fund	-	-	-	-	-	-
-Quoted						
Amrapali Ind. Ltd.	7.18	7.18	7.18	0.75	0.75	0.75
Total (A)	7.26	7.26	7.26	0.83	0.78	0.78
B) Short Term Investments						
	-	-	-	-		-
Total (A+B)	7.26	7.26	7.26	0.83	0.78	0.78
Market Value						
Amrapali Ind. Ltd.	11.13	16.76	11.13	11.25	20.21	3.21
Total Market value of Quoted Investment	11.13	16.76	11.13	11.25	20.21	3.21

Annexure XVIII - Statement of Adjustments / Restatement

(₹. In Lacs)

Sr. No.	Particulars	As At					
		30th June 2013	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
A.	Profit after tax as per audited financial statements	5.66	17.06	12.92	5.27	14.94	18.72
	Adjustment for:						
	Current tax expenses	-	-	-	-	-	-
	Deferred tax expenses	-	-	-	-	-	-
B.	Adjustment net of tax impact						
C.	Adjusted Profit (A+B)						
	Restated PAT	5.66	17.06	12.92	5.27	14.94	18.72

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled "Risk Factors" beginning on page 10 which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

Business Overview

Significant developments subsequent to the last financial year:

After the date of last financial - Period ended 30th March 2013, the Directors of our Company confirm that, there have not been any significant material developments.

Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the period ended June 30th 2013 and for the years ended March 31, 2011, 2012 and 2013

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

Growth In Indian Economy: The economic growth of the country have a major role on our result and operations. The Indian Economy has grown rapidly over the past five years and is expected to grow in the future. The growth in the economy has direct impact on the growth of stock exchange business and the price of the various stocks.

Stock Market Trends

A significant portion of revenue is derived from equity broking and share trading business. The profitability are dependent on favorable capital market conditions and other factors that affect the volume of stock trading in India.

Regulatory Developments:

Our Company is regulated by the Companies Act and some of our activities are subject to supervision and inspection by statutory and regulatory authorities including SEBI, RBI, CDSL, NSDL and the exchanges. It is therefore subject to amendments and changes in the various laws governing Stock Exchanges and policies of SEBI relating to operation of Stock Exchanges.

Other Factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the capital markets.
- Investment Flow in the country from the other countries.
-

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, "Annexure IV" beginning under Chapter titled "Financial Information of our Company" beginning on page 113 of the Prospectus.*

Particulars	As at June 30, 2013	% to total Revenue
Income from continuing operations		
Revenue from operations		
Trading of shares, brokerage and commission	187.17	91.72
Other Income	16.89	8.28
Total Revenue	204.06	100.00
Expenses		
Purchases-Traded	-	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	
Employee benefits expense	6.94	3.40
Finance Costs	12.31	6.03
Other expenses	165.87	81.28
Depreciation and amortisation expenses	10.75	5.27
Total Expenses	195.87	95.98
EBDIT	31.25	15.31
Restated profit before tax from continuing operations	8.19	4.01
Tax expense/(income)		
Current tax	2.53	1.24
Total tax expense	5.66	2.77
Restated profit after tax from continuing operations (A)	5.66	2.77
Restated profit for the year (A + B)	5.66	2.77

RESULTS OF OUR OPERATION

Results of Operations for the FY 2013, 2012 and 2011

(₹ Lacs)

Particulars				
	31st 2013	March	31st March 2012	31st March 2011
Income from continuing operations				
Revenue from operations				
Trading of shares, brokerage and commission	1367.13		852.14	584.15
% of growth	60.43		45.88	
Other Income	589.93		275.62	272.29
% of growth	114.04		1.22	(43.23)
Total Revenue	1957.06		1127.76	856.44
% of growth	73.54		31.68	
Expenses			-	-

Changes in inventories of finished goods, work-in-progress and stock-in-trade	874.77	(189.66)	(369.88)
Employee benefits expense	42.75	50.25	52.44
% Increase/(Decrease)	(14.93)	(4.18)	(11.64)
Finance Costs	134.76	148.22	161.98
% Increase/(Decrease)	(9.08)	(8.49)	38.67
Other expenses	837.04	1,039.38	919.90
% Increase/(Decrease)	(19.47)	12.99	(23.27)
Depreciation and amortisation expenses	42.98	66.45	81.48
% Increase/(Decrease)	(35.32)	(18.45)	6.22
Total Expenses	1932.30	1114.64	845.92
% to total revenue	98.73	98.84	98.77
PBIDT	202.50	227.79	253.98
% to total revenue	10.35	20.20	-29.66
Restated profit before tax from continuing operations	24.76	13.12	10.52
Tax expense/(income)			
Current tax	0.20	0.20	5.25
Total tax expense	0.20	0.20	5.25
Restated profit after tax from continuing operations (A)	24.56	12.92	5.27
% to total revenue	1.25	1.15	0.62
Restated profit for the year (A + B)	24.56	12.92	5.27
% Increase/(Decrease)	90.09	145.16	(64.73)

COMPARISON OF FY 2013 WITH FY 2012:

Total Income

The Total Income from operations for the FY 2013 is ₹ 1957.06 Lacs as compared to ₹ 1127.76 Lacs during the FY 2011 showing increase of 73.54%. This mainly includes Trading of shares, brokerage and commission and interest income. The increase in income from operations was primarily due to increase in the volume of trade.

Expenditure:

Employee Benefit Expenses

Employee Benefit expenses decreased from ₹ 50.25 Lacs for FY 2012 to ₹ 42.75 Lacs for FY 2013 showing decrease of 14.93%. The decrease is marginal.

Other Expenses

Other Expenses decreased from ₹ 1039.38 Lacs for FY 2012 to ₹ 837.04 Lacs for FY 2013 showing decrease of 19.47 %.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT decrease from ₹ 227.79 Lacs for FY 2012 to ₹ 202.50 Lacs for the FY 2013, though the business was increased by 73.54% compared to FY 2012 mainly on account of increase in stock in trade. During FY 2013, our Company recorded PBDIT of 10.35% of the operating income as against 20.20 % during FY 2012.

PBDIT decrease from ₹ 227.79 Lacs for FY 2012 to ₹ 202.50 Lacs for the FY 2013, though the business was increased by 73.54% compared to FY 2012 but the business was increase on account of reduction of the inventory of the compnay. During FY 2013, our Company recorded PBDIT of 10.35% of the operating income as against 20.20 % during FY 2012.

Interest & Financial Charges

Interest & Financial Charges decrease from ₹ 148.22 Lacs for FY 2012 to ₹ 134.76 Lacs for the FY 2013. This cost mainly includes interest on unsecured loans and bank charges. During FY 2013, the Interest & Financial Charges decreased by 9.08 % compared to FY 2012.

Depreciation

The total depreciation during FY 2012 was ₹ 66.45 Lacs and during FY 2013 it was ₹ 42.98 Lacs. There was decrease in depreciation since there was no major addition in fixed assets during FY 2013.

Profit after Tax

PAT increased from ₹ 12.92 Lacs for the FY 2012 to ₹ 24.56 Lacs in FY 2013 showing a increase of 90.09% This increase was due to increase in business volume. PAT Margin of 1.25% as against 1.15 % for FY 2012.

COMPARISON OF FY 2012 WITH FY 2011:

Total Income

The Total Income from operations for the FY 2012 is ₹ 1127.76 Lacs as compared to ₹ 856.44 Lacs during the FY 2011 showing increase of 31.68%. This mainly includes Trading of shares, brokerage and commission and interest income. The increase in income from operations was primarily due to increase in the volume of trade.

Expenditure:

Employee Benefit Expenses

Employee Benefit expenses decreased from ₹ 52.44 Lacs for FY 2011 to ₹ 50.25 Lacs for FY 2012 showing decrease of 4.18%. The decrease is marginal.

Other Expenses

Other Expenses increased from ₹ 919.90 Lacs for FY 2011 to ₹ 1039.38 Lacs for FY 2012 showing increase of 12.99 %. This Increase was mainly due to increase of STT , Arbitrage Expenses and Penalty by Stock Exchange.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT decrease from ₹ 253.98 Lacs for FY 2011 to ₹ 227.79 Lacs for the FY 2012, though the business was increased by 39.57% compared to FY 2011 mainly on account of increase of other expenses. During FY 2012, our Company recorded PBDIT of 0.41% of the operating income as against 0.64 % during FY 2011.

Interest & Financial Charges

Interest & Financial Charges decrease from ₹ 161.98 Lacs for FY 2011 to ₹ 148.22 Lacs for the FY 2012. This cost mainly includes interest on unsecured loans and bank charges. During FY 2012, the Interest & Financial Charges decreased by 8.49 % compared to FY 2011.

Depreciation

The total depreciation during FY 2011 was ₹ 81.48 Lacs and during FY 2012 it was ₹ 66.45 Lacs. There was decrease in depreciation since there was no major addition in fixed assets during FY 2012.

Profit after Tax

PAT increased from ₹ 5.27 Lacs for the FY 2011 to ₹ 12.92 Lacs in FY 2012 showing a increase of 145.66%. This increase was due to increase in business volume. During FY 2012, our Company recorded PAT margin of 1.15% as against 0.62 % for FY 2011.

Related Party Transactions

For further information please refer “Annexure XV” beginning on page 120 under Chapter titled “Financial Information of our Company” beginning on page 105 of the Prospectus.

Financial Market Risks

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

Interest Rate Risk

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

Effect of Inflation

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in ‘*Factors Affecting our Results of Operations*’ and the uncertainties described in the section entitled ‘*Risk Factors*’ beginning on page 10 of the Prospectus. To our knowledge, except as we have described in the Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page 10 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. 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.

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and economic growth of the country.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover of the industry *please refer to Chapter titled "Industry Overview" beginning on page 60 of the Prospectus.*

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment.

8. The extent to which business is seasonal.

Our Company's business is not seasonal. However the business of the company depend upon the Growth potential of the economy and growth of the country

9. Any significant dependence on a single or few suppliers or customers.

We are not dependant significantly on single supplier or customers

10. Competitive conditions.

Competitive conditions are as described under the Chapters titled "Industry Overview" and "Business Overview" beginning on pages 60 and 70 respectively of the Prospectus.

SECTION VII - LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, nonpayment 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 the Entities Promoted by our Promoters, except the following:

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

This chapter has been divided in to following Parts

- 1. Outstanding litigations involving Our Company.**
- 2. Outstanding litigations involving Our Promoters.**
- 3. Outstanding litigations involving Our Directors.**
- 4. Outstanding litigations involving Our Group Companies.**
- 5. Penalties imposed in past cases for the last five years.**
- 6. Material Developments.**
- 7. Amount owned to small scale undertakings.**

Outstanding litigations involving our Company

Litigations by Company

A.Y. 2009-10

Appeal filed by the Company before Commissioner (Appeals) against the Assessment Order passed under section 143(3) of the Income Tax Act, 1961.

The above referred appeal is filed by the company before Commissioner (Appeals) Income Tax against the order passed by Joint Commissioner of Income tax u/s 143 (3) regarding disallowance of V-Sat Expenses/ Lease Line Expenses u/s 40 (a) (ia) of The Income Tax Act,1961 for TDS deducted under wrong section. At Present the Appeal is pending and Amount of Tax Rs. 1,47,580 which has already been paid in due procedure of appeal.

Litigation against Company

Notices issued Under Section 143(2) Of the Income Tax Act, 1961

Notices issued by Asst. Commissioner, Income Tax to Amrapali Capital and Finance Services Ltd for requirement of further information under section Sec.143(2) in connection with return submitted for the A.Y.2012-13,2011-12, 2010-11,200-10,2008-09,2007-08.

Opposition filed against the application for trademark registration under The Trade Marks Act , 1999

The Company had filed an application for registration of Trademark "Amrapali" under the Trade Mark Act, 1999. The application is made under class 36 and application number is 1558941. M/s Ultra Home Construction Private Limited had filed notice of opposition on November 22, 2008 for refusing the registration of the

Trademark "Amrapali". The company had filed counter statement on September 9,2009. The matter is pending.

A.Y. 2008-09

Appeal filed in the Appellate Tribunal by the Income Tax department against the order passed by the Commissioner of Income Tax (Appeals)

The Income Tax department had filed an appeal in appellate Tribunal against the order passed by the Commissioner of Income Tax (Appeals) allowing the revised working of Long term Capital Gain on sale of shares of BSE Limited after considering the cost of acquisition of shares of BSE Limited by the Company. The assessment order was passed under section 143(3) of The Income Tax Act,1961 by the Asst commissioner of Income without considering the purchase cost of shares for arriving long term capital gain on sale of shares of BSE Limited. The company had filed the appeal against the said order with Commissioner of Income Tax (Appeals) and in the appellate order the commissioner of income tax (Appeals) has accepted the revised working of Long term Capital Gain on sale of shares of BSE Limited after considering the cost of acquisition of shares of BSE Limited. The department has filed the appeal in appellate Tribunal for set aside the order of Commissioner of Income Tax (Appeals).At present the appeal is pending and the amount of Tax involved Rs.44,74,300 has been paid in due procedure of appeal.

Litigations by Promoters

Assessment Year 2009-10

Appeal filed by Mr. Monal Thakkar in Income Tax Appellate Tribunal, Ahmedabad benches against the order passed by the Commissioner of Income Tax (Appeals)-I

The above referred appeal is filed by Mr. Monal Thakkar before the Income Tax Tribunal against the order passed by the Commissioner of Income Tax (Appeals)-I approving the addition made by the Asst commissioner of Income Tax in the Assessment order passed under section 143(3) of the Income Tax Act, 1961. The Asst commissioner of Income Tax in the said order has disallowed the loss claimed by the assessee amounting to Rs 35,01,000 against the profit from F & O business. The said business loss was on account of payment of disgorgement charges and settlement fees paid to SEBI. The demand of Tax Rs 15.61 lacs is pending. The said matter is pending before the Income Tax Appellate Tribunal.

Litigation against Promoters

Action taken by SEBI for violation of section 12A of the SEBI Act, 1992, Regulation 3 of the SEBI (Fraudulent and Unfair Trade practices relating to Securities Market) Regulations, 2003 and the provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000

Mr. Monal Y. Thakkar, Promoter of the company had acted as financiers for IPO subscription of Yes Bank Limited, IDFC Limited and IL&FS Limited through applications in fictitious names and is ultimate beneficiaries in the scheme of cornering retail allotment and forking out big gain on sale immediately after listing. He had violated section 12A of the SEBI Act, 1992, Regulation 3 of the SEBI (Fraudulent and Unfair Trade practices relating to Securities Market) Regulations, 2003 and the provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000. The SEBI Board in terms of Section 19 of the Securities and Exchange Board of India Act, 1992 read with Section 11,11B and 11(4)(b) thereof, pending inquiry and final order, issued directions, by way of ad interim, ex parte order, directing to Mr. Monal Y. Thakkar, Promoter of the company not to buy, sell and deal in securities market including IPOs, directly or indirectly, till further directions. On submission of reply by the applicant, the SEBI has initiated an adjudication proceeding under Chapter VI A of the SEBI Act, 1992. In the meantime the applicant has proposed settlement of the pending proceedings through a consent order. The High Power Advisory Committee considered the consent terms proposed by the applicant and after considering the period of prohibiting on buying, selling or dealing in securities undergone by the applicants since April 27, 2006 recommended the cases for settlement on payment of disgorgement charges and settlement charges on November 4,2008. Mr. Monal Y. Thakkar had paid Rs 29,17,331 towards disgorgement charges and Rs. 5,83,669 towards Settlement charges.

Notices issued Under Section 143(2) Of the Income Tax Act, 1961

Notices u/s 143(2) has been issued to Mr.Chirag Thakkar for A.Y. 2012-13,2011-12,2010-2011,2009-

2010,2008-2009,2007-2008 requiring further information in connection with returns of relevant years.

Litigations by Directors

NIL

Litigation against Directors

NIL

Litigation by Group Companies

NIL

Litigation against Group Companies

NIL

Penalties imposed in past cases for the last five years

As on the date of the Prospectus, except as mentioned below, no penalties have been imposed on our company and on our directors.

Following penalties have been levied by the Stock Exchanges on our company in the last five years.

(Rs. In Lacs)

Authority levied penalty	March 31, 2013	March 31,2012	March 31,2011	March 31,2010	March 31,2009
Stock Exchange	0.31	20.82	1.10	5.09	Nil

Material Developments

Except as stated above, there are no material developments after the date of the last audited balance sheet, which may materially affect the performance, or prospects of the Company.

Other defaults (specify if any)

There is no other default involving the issuer company or its subsidiary, its director, promoters, promoter group entities.

Amount Outstanding to SSI Undertaking or other creditors (specify if any)

There are no SSI Undertakings or other creditors to whom the Company owes an amount exceeding ₹ 1 Lac which is outstanding for more than 30 days from the due date

GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities. Certain approvals have elapsed in their normal course and the Company has either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

(A) Approvals for the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on September 9, 2013 , authorised the Issue subject to the approval of the shareholders of the Company under Section 81(1A) of the Companies Act and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated September 11, 2013 under Section 81(1A) of the Companies Act, authorised the Issue.

(B) Registration under the Companies Act, 1956:

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Registrar of Companies, Gujarat, Dadra & Nagar Haveli on, May 20, 1994.	04-22096 of 1994-95	Companies Act, 1956	Certificate Of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, Gujarat, Dadra & Nagar Haveli on, June 15, 1994.	04-22096	Companies Act, 1956	Certificate for Commencement of Business.	Valid, till Cancelled
3.	Registrar of Companies, Gujarat, Dadra & Nagar Haveli, on March 26, 2011.	U65910DN1994PL C000362	Companies Act, 1956	Fresh certificate of Incorporation consequent on Change of state from Gujarat to Dadra Nagar Haveli	Valid, till Cancelled

(C) Registration under various Acts/Rules relating to Income Tax, Sales Tax, Value Added Tax , Central Excise and Service Tax :

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1	Income Tax Department	AADCA4232E	Income Tax Act 1967	Permanent Account Number	Valid, till Cancelled
2	Income Tax Department	AHMA00978F	Income Tax Act 1967	Tax Deduction Account Number	Valid, till Cancelled
3	Central board of Central Excise and Customs, /superintendent Service Tax, Range XI, Divn. III,	AADCA4232EST001	Chapter V of the Finance Act ,1994 read with Service Tax	Service Tax Code	Valid, till Cancelled

	Ahmadabad		Rules, 1994		
4	Ahmadabad Municipal Corporation	FECO15132427	State Level, Professional Tax.	Professional Tax Number	Valid, till Canceled
5	Deputy Municipal Commissioner of Ahmadabad Municipal Corporation	PII/EL/05/0003797/ELISBRIDGE	Mumbai shop and establishments act 1948	Registration under Shops & Establishment Act for Commercial Establishment	Valid, till Canceled

(D) Licenses/ Approvals Obtained:

Sr. No.	Approval Granted	Authority	Reference/Registration No.	Date Granted	Validity
1	Certificate of Registration of Trading member of NSE as a Stock Broker	SEBI	INB230758835	August 8, 1995	Till suspended or cancelled
2	Certificate of Registration of Trading and Clearing member of the NSE for Dealing in Derivative Segment	SEBI	INF230758835	November 29, 2002	Till suspended or cancelled
3	Certificate of Registration of member of the BSE as a Stock Broker in Capital Segment	SEBI	INB010758838	November 18, 2005	Till suspended or cancelled
4	Certificate of Registration of Trading member of the BSE in for Dealing in Derivative Segment	SEBI	INF010998733	December 7, 2006	Till suspended or cancelled
5	Certificate of Registration of Trading Member of NSE for dealing in Currency Derivatives Segment	SEBI	INE230758835	August 26, 2008	Till suspended or cancelled
6	Certificate of Registration of Clearing Member of NSE for dealing in Currency Derivatives Segment	SEBI	INE230758835	August 26, 2008	Till suspended or cancelled
7	Certificate of Registration of Trading Member of MCX Stock Exchange Ltd for dealing in Currency Derivatives Segment	SEBI	INE260758838	September 30, 2008	Till suspended or cancelled
8	Certificate of Registration of Clearing Member of MCX Stock Exchange Ltd for dealing in Currency Derivatives Segment	SEBI	INE260758838	September 30, 2008	Till suspended or cancelled
9	Certificate of Registration as Depository Participant	SEBI	IN-DP-NSDL-324-2009	September 25, 2009	-
10	Certificate of Registration of Trading Member United Stock Exchange of India Ltd for dealing in Currency Derivatives Segment	SEBI	INE270758837	October 4, 2010	Till suspended or cancelled
11	Certificate of Registration of Clearing Member MCX	SEBI	INF260758835	January 16, 2013	Till suspended

	Stock Exchange Ltd for dealing in Derivatives Segment				d or cancelled
12	Certificate of Registration of Trading Member MCX Stock Exchange Ltd for dealing in Derivatives Segment	SEBI	INF260758835	January 16, 2013	Till suspended or cancelled
13	Certificate of Registration of member of MCX Stock Exchange Ltd as a Stock Broker in Capital Segment	SEBI	INB260758835	January 16, 2013	Till suspended or cancelled
14	Certificate of Registration as Depository Participant of NCDEX	NCDEX	IN303760	March 06, 2012	Till suspended or cancelled
15	AMFI Registered Mutual Fund Advisor	AMFI	ARN-22185	December 23, 2009	September 30, 2013
16	Certificate of Registration as Depository Participant of NCDEX stock Exchange under COMTRACK	NCDEX	IN-DP-NSDL-324-2009 DP ID- IN303760	March 25, 2013	Till suspended or cancelled

(E) Approvals received but surrendered:

We have surrendered the Membership with various Exchanges as follow:

Sr. No.	Description	SEBI Registration No.	Concerned Stock Exchange	Reference No.	Cancellation with effect from
1	Surrender of Certificate of Registration as Clearing Member of Bombay Stock Exchange on the Equity Derivatives Segment	INF010998733	Bombay Stock Exchange	Dated: December 2, 2011 Letter No: MIRSD-I/RKK/OW/37898/2011	August 03, 2011
2	Surrender of Certificate of Registration as Clearing Member in of United Stock Exchange of India Limited on the Currency Derivatives Segment	INE270758837	United Stock Exchange of India Limited	Dated: May 29, 2012 Letter No: MIRSD-I/RKK/11943/2012	April 13, 2012

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board has, pursuant to a resolution passed at its meeting held on September 9, 2013 authorised the Public Issue on SME Platform of BSE subject to the approval by the shareholders of the Company under section 81 (1A) of the Companies Act, 1956. The shareholders have authorised the issue by a special resolution passed pursuant to section 81(1A) of the Companies Act at the Extra-ordinary General Meeting of our Company held on September 11, 2013 .

Our Company has obtained in-principle approval from BSE vide letter dated 04.09.2013 to use the name of BSE in this Prospectus and Prospectus for listing of Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

Our Company, Promoters, Promoter Group, Directors and Group Companies 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 or any other authorities. None of our Promoters, Directors was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are involved as promoters or directors.

Mr. Monal Y. Thakkar, Promoter of the company and Ritaben R. Thakkar and Veenaben Y. Thakkar, Promoter group have acted as financiers for IPO subscription of Yes Bank Limited , IDFC Limited and IL&FS Limited through applications in fictitious names and are ultimate beneficiaries in the scheme of cornering retail allotment and forking out big gain on sale immediately after listing. They have violated section 12A of the SEBI Act, 1992, Regulation 3 of the SEBI (Fraudulent and Unfair Trade practices relating to Securities Market) Regulations, 2003 and the provisions of the SEBI(Disclosure and Investor Protection) Guidelines, 2000. The SEBI Board in terms of Section 19 of the Securities and Exchange Board of India Act, 1992 read with Section 11, 11B and 11(4)(b) thereof , pending inquiry and final order , issued directions , by way of ad interim , ex parte order, directing to Mr. Monal Y. Thakkar, Promoter of the company and Ritaben R. Thakkar and Veenaben Y. Thakkar, Promoter group not to buy, sell and deal in securities market including IPOs, directly or indirectly , till further directions. On submission of reply by the applicants, the SEBI has initiated an adjudication proceeding under Chapter VI A of the SEBI Act, 1992. In the meantime the applicants have proposed settlement of the pending proceedings through a consent order. The High Power Advisory Committee considered the consent terms proposed by the applicants and after considering the period of prohibiting on buying, selling or dealing in securities undergone by the applicants since April 27, 2006 recommended the cases for settlement on payment of disgorgement charges and settlement charges on November 4, 2008. Mr. Monal Y. Thakkar has paid Rs 29,17,331 towards disgorgement charges and Rs. 5,83,669 towards Settlement charges, Ritaben R. Thakkar has paid Rs 30,98,785 towards disgorgement charges and Rs. 6,20,215 towards Settlement charges and Veenaben Y. Thakkar has paid Rs 3,52,242 towards disgorgement charges and Rs. 70,758 towards Settlement charges.

Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.

Prohibition by RBI or Governmental authority

Neither our Company, our Promoters or their relatives (as defined in the Companies Act), Group Companies, nor our Directors, have been identified as willful defaulters by the RBI or any other government authorities. There are no violations of securities laws committed by any of them except mentioned below in the past or pending against them.

Eligibility for the Issue

Our company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an issuer whose post issue paid up capital is less than 10 Crores and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE”).

We confirm that:

- a. In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- b. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information – Underwriting” on page 35 of this Prospectus.
- c. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money with interest as prescribed under Section 73 of the Companies Act.
- d. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “General Information – Details of the Market Making Arrangements for this Issue” on page 36 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012, which states as follows:

1. Net Tangible assets of at least ₹ 1 crore as per the latest audited financial results :

Our Company has Net Tangible Assets of ₹ 1 crore as per the latest financial results. Our Net Tangible Assets for the year ended March 31, 2013 is disclosed as under

Particulars	31-March -2013	30-June-2013
Fixed Assets (Net)	127.51	145.68
Less: Intangible Assets		Nil
Current Assets, Loans & Advances	7655.51	7405.06
Investments	7.26	7.26
Less: Current Liabilities & provisions	2513.90	2275.93
Net Tangible Assets	5276.38	5282.07

2. Net worth (excluding revaluation reserves) of at least ₹ 1 crore as per the latest audited financial results

Our Company satisfies the above criteria. Our Net Worth as per the restated financial statements is as under:

Particulars	31-March -2012	31-March-2013	30-June-2013
Net Worth	5259.32	5276.38	5282.07

3. Track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹ 3 crores.

Particulars	31-March -2011	31-March -2012	31-March -2013	30-June-2013
Net Profit as per P&L Account	5.27	12.92	17.06	5.66

4. The post-issue paid up capital of the company shall be at least ₹ 1 crores
5. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
6. Companies shall mandatorily have a website

Our Company has a live and operational website: www.amrapali.com

7. Certificate from the applicant company stating the following:
 - a. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
 - b. There is no winding up petition against the company that has been accepted by a court.

There is no winding up petition against our Company that has been accepted by a court.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, CORPORATE STRATEGIC ALLIANZ LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER

CORPORATE STRATEGIC ALLIANZ LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 9 , 2013 WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE OFFER DOCUMENT PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - (A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.- NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE AS THE OFFER SIZE IS MORE THAN 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
- (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY"
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE BOARD.

FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY CORPORATE STRATEGIC ALLIANZ LIMITED

Sr. No.	Issue Name	Issue Size ₹ (Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	Closing Price on Listing Date	% Change in Price on listing date (Closing vs. Issue Price)	Benchmark Index on Listing Date (Closing) (BSE)	Closing Price as on 10 th Calendar Day from Listing Day	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Ace Tours Worldwide Limited	8.00	16	September 26, 2013	24.95	24.95	55.94	19,893.85	N A	N A	N A	N A	N A	N A
2	Indo Thai Securities Ltd.	29.6	74	Nov 02, 2011	75	23	(68.91)	17464.85	16.95	17192.82	12.15	16065.42	11.37	16846.83
3	Rushil Decor Ltd.	40.635	72	July 07, 2011	81.25	119.65	66.25	19078.3	136.5	18561.92	130.65	18432.25	107.65	17305.87
4	Timbor Home Ltd.	23.247	63	June 22, 2011	72	91.2	44.76	17550.63	61.70	18762.80	42.90	18411.62	42.05	18722.3

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount on listing date			Nos. of IPO trading at premium on listing date			Nos. of IPO trading at discount as on 30 th calendar day from listing date			Nos. of IPO trading at premium as on 30 th calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
F.Y. 2013-14	1	8.00	-	-	-	1	-	-	NA	NA	NA	NA	NA	NA
F.Y. 2012-13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F.Y. 2011-12	3	93.482	1	NIL	NIL	1	1	NIL	1	1	NIL	NIL	1	NIL

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 110[106P] AND 111[106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES GUJARAT, IN TERMS OF SECTION 56, SECTION 60 AND SECTION 60(B) OF THE COMPANIES ACT.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN OFFER DOCUMENT."

ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF THE COMPANIES, AHMEDABAD IN TERMS OF 60B OF THE COMPANIES ACT. ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE REGISTRAR OF THE COMPANIES, AHMEDABAD IN TERMS OF SECTION 56, 60 AND SECTION 60B OF THE COMPANIES ACT, 1956.

Caution- Disclaimer from Our Company and the Lead Manager

The Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: www.amrapali.com would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered into between the Lead Manager Corporate Strategic Allianz Limited and our Company dated October 09, 2013 and the Underwriting Agreement dated October 09, 2013 entered into between the Underwriters Corporate Strategic Allianz Limited, Khajanchi & Gandhi Stock Broking Private Limited and our Company and the Market Making Agreement dated October 09, 2013 entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

Disclaimer in respect of Jurisdiction

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE

BSE Limited ("BSE") has given vide its letter dated September 20, 2013, permission to this Company to use its name in this offer document as one of the stock exchanges on which this Company's securities are proposed to

be listed on SME platform. BSE has scrutinized this offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of 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 under Rule 144A of the U.S. Securities Act.

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 will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing of Prospectus with the Board and the Registrar of Companies

A copy of this Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Western Regional Office, Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380009.

A copy of the Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, will be delivered to the RoC situated at RoC Bhavan, Opp Rupal Park Society, Behind Ankur Bus-Stop, Naranpura, Ahmedabad-380013.

Listing

Our company has obtained approval from BSE vide letter date September 20, 2013 to use name of BSE in this offer document for listing of equity shares on SME Platform of BSE..

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-principle approval from SME Platform of BSE. However, applications will be made to the SME Platform of BSE for

obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, the 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 then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to repay such application money, with interest at the rate of 15% per annum on application money, as prescribed under section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 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

The written consents of Directors, the Company Secretary, Compliance Officer, the Lead Manager to the Issue, Bankers to the Company, Registrar to the Issue, Auditors, Legal Advisor to the Issue, Underwriters and Market Makers, Banker to the Issue*, and Escrow Collection Banks* to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

**The aforesaid will be appointed prior to filling of the Prospectus with ROC and their consents as above would be obtained prior to filling of the Prospectus with ROC.*

Chartered Accountants, the Statutory Auditors as well as Peer Review Auditors of the Company have also given their consent to the inclusion of their report as appearing hereinafter in the form and context in which appears in which they appear therein and also of the tax benefits accruing to the Company and to the members of the Company and such consent and report have not been withdrawn up to the time of signing this Prospectus.

In accordance with the Companies Act and the SEBI (ICDR) Regulations; V J Amin & Co, Peer Review Auditor of the Company had provided their written consent for inclusion of their report dated October 5, 2013 restated financial statements and Mehul Thakker & Co., Chartered Accountants, Statutory Auditor of the company have agreed to provide their written consent to the inclusion of Statement of Tax Benefits dated February 15, 2013 as applicable, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of this Prospectus.

Expert Opinion

Except for (a) Peer Review Auditors' reports on the restated financial statements by M/s V.J. Amin & Co, (b) Statement of Tax Benefits by the statutory auditors, M/s Mehul Thakker & CO, Chartered Accountants (Copies of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

Public Issue Expenses

The Management estimates an expense of ₹ 101.20 Lakhs towards issue expense. The Issue related expenses include, among others, lead management, market making, underwriting, SCSB's commission/fees, selling commissions, printing, distribution and stationery expenses, advertising and marketing expenses, and other expenses including registrar, depository, listing and legal fees. All expenses with respect to the Issue will be borne by the Company. The estimated Issue expenses* are as follows:

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	50.00
2	Printing and distribution of issue stationery	10.00
3	Advertising and marketing expenses	10.00
4	Regulatory fees and expenses	10.00
5	Other Expenses	21.20
	Total	101.20

Fees Payable to Lead Manager to the Issue

The total fees payable to the Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out-of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MOU between the Company and the Registrar to the Issue dated June 12, 2013 and supplementary agreement dated September 16, 2013.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

Underwriting commission, brokerage and selling commission

We have not made any previous public issues. Therefore, 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.

Commission payable to SCSBs

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹ 15 per ASBA Application Form processed by them.

Previous Public or Rights Issue

There have been no public or rights issue by our Company during the last five years.

Previous issues of Equity Shares otherwise than for cash

We have not made any previous issues of shares for consideration otherwise than for cash.

Capital issue during the last three years

Amrapali Capital and Finance Services Limited and its Group Companies have not made any capital issue during the last three years.

Listed Ventures of Promoters

There are no listed ventures of our Company as on date of filing of this Prospectus.

Promise vis-a-vis Performance

Since neither our Company nor our Promoter Group Companies have made any previous rights or public issues during last 10 years, Promise vis-a-vis Performance is not applicable.

Outstanding debentures or bonds and redeemable preference shares and other instruments

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

Stock Market Data for our Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years 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 Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders), for redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted an Investors' Grievances Committee comprising of Mr. Saurabh Shah, Mr. Hasmukh Thakkar and Mr. Chirag Thakkar as members.

Our Company has also appointed Ms. Rashmi Aahuja, as a Company Secretary and Mr. Nirav Basher as the Compliance Officer of our company, for this Issue and they may be contacted in case of any pre-issue or post-issue related problems at the following address:

Ms. Rashmi Aahuja,

Amrapali Capital and Finance Services Limited,
Company Secretary,
19,20,21 Narayan Chambers,3rd Floor,
B/H Patang Hotel, Ashram Road,
Ahmedabad-380 009
Tel No: +91(079) 26575105-106
Fax No: +91 (079)26584313
Web Site: www.amrapali.com
Email: grievances@amrapali.com

Mr. Nirav Basher

Amrapali Capital and Finance Services Limited,
Compliance Officer,
19,20,21 Narayan Chambers,3rd Floor,
B/H Patang Hotel, Ashram Road,
Ahmedabad-380 009
Tel No: +91(079) 26575105-106
Fax No: +91 (079)26584313
Website: www.amrapali.com
Email: grievances@amrapali.com

Changes in auditors

There has been no change in the Auditors of the company during the last three years.

Capitalization of reserves or profits during last five (5) years

Our Company has not capitalized any reserve during last five (5) years.

Revaluation of assets during the last five (5) years

Our Company has not revalued its assets since incorporation.

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of the Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note 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, the Government of India, the Stock Exchanges, the 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 in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled "Main Provisions of Articles of Association" beginning on page number 173 of the Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association.

Face Value and Issue Price per Share

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 100 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page 51 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" beginning on page number 173 of the Prospectus.

Minimum Application Value, Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, 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 of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

to register himself or herself as the holder of the Equity Shares; or
to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

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 investor wants to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

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

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 1,200 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page number 39 of the Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page number 173 of the Prospectus.

Option to receive Equity Shares in Dematerialized Form

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Migration to Main Board

Our Company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Also as prescribed by the circular dated April 19, 2012 issued by BSE, following eligibility criteria's shall be applicable for migrating to the main board from the SME platform:

"The companies seeking migration to Main Board of BSE should satisfy the eligibility criteria as specified in 26(1) of SEBI (ICDR) Regulations, 2009 either at the time of initial listing on SME platform or at the time seeking migration to main Board. However the same will not be applicable where the company had sought listing on SME platform by following the process and requirements prescribed in 26(2) (a) of SEBI (ICDR) Regulations, 2009

Market Making

The shares offered through this issue are proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform for a minimum period of three years from the date of listing of shares offered through this Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 36 of the Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 150 and 156 of this Prospectus.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares*	24,48,000 Equity Shares	1,29,600 Equity Shares
Percentage of Issue Size available for allocation	94.97% of the Issue Size 25.03 % of the Post Issue Paid up Capital	5.03 % of the Issue Size 1.33 % of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 1,200 Equity Shares and Further allotment in multiples of 1,200 Equity Shares each. For further details please refer to the section titled "Issue Procedure–Basis of Allotment" on page 161 of this Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through ASBA mode. Retail Individual Applicants may apply through the ASBA or the Physical Form.	Through ASBA mode
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹ 2,00,000 For Retail Individuals: 1,200 Equity Shares	1,29,600 Equity Shares
Maximum Bid	For QIB and NII: Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Size does not exceed 24,48,000 Equity Shares For Retail Individuals: 1,200 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	1,29,600 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	1,200 Equity Shares	1,200 Equity Shares, However the Market Makers may

Particulars	Net Issue to Public	Market Maker reservation portion
		accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of payment	<p>Entire Application Amount shall be payable at the time of submission of Application Form.</p> <p>In case of ASBA Applicants, the SCSBs shall be authorized to block such funds in the bank account of the Applicant that are specified in the ASBA Application Form.</p>	

^50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above ₹ 2,00,000.

Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, QIB Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities at Ahmedabad.

Issue Programme

ISSUE OPENS ON	October 15, 2013, Tuesday
ISSUE CLOSING ON	October 18, 2013, Friday

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to them the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed color of the Application Form for various categories is as follows:

Category	Color
Indian Public / NRI's applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents including eligible NRI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who can apply?

Indian nationals resident in India who are not minors in single or joint names (not more than three);

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;

Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;

Mutual Funds registered with SEBI;

Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this issue;

Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co operative banks (subject to RBI regulations and the SEBI Regulations, as applicable);

FII's registered with SEBI;

Venture Capital Funds registered with SEBI;

State Industrial Development Corporations;

Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;

Scientific and/or industrial research organizations authorized to invest in equity shares;

Insurance Companies registered with Insurance Regulatory and Development Authority;

Provident Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;

Pension Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;

Foreign Venture Capital Investors registered with SEBI;

Multilateral and bilateral development financial institutions;

National Investment Fund; and

Applications not to be made by:

Minors

Partnership firms or their nominations

Foreign Nationals (except NRIs)

Overseas Corporate Bodies

Participation by Associates of LM

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

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, Lead Manager to the Issue, Registrar to the Issue and the collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com.

Option to Subscribe in the Issue

Investors will not have the option of getting the allotment of specified securities in physical form. Allotment of securities shall be made only in dematerialization form only.

The equity shares, shall be traded on stock exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue issued capital. In respect of an FII investing in our equity shares on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution,

the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

For Retail Individual Applicants

The Application must be for a 1,200 Equity Shares so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 200,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FII's, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the LM may deem fit.

Information for the Applicants:

Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

The LM will circulate copies of the Prospectus along with the Application Form to potential investors.

Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our registered office or from the corporate office of the LM.

Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.

Applications made in the Name of Minors and/or their nominees shall not be accepted.

Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Ahmadabad.

Applicant's Depository Account and Bank Details

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LM or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than 1,200 equity shares the allotment will be made as follows:

Each successful applicant shall be allotted 1,200 equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,200 equity shares subject to a minimum allotment of 1,200 equity shares.

If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,200 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below

A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retail individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

However, if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director / Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

REFUNDS:

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LM shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

The entire issue price of ₹ 100 per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stockinvest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each application form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

The payment instruments for payment into the Escrow Account should be drawn in favour of:

Indian Public including eligible NRIs applying on non repatriation basis: "ACFSL – Public Issue - R".
In case of Non Resident Retail Applicants applying on repatriation basis: "ACFSL – Public Issue – NR"

In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non Resident Ordinary (NRO) Account of Non Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.

On the Designated Date and not later than 15 days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

GENERAL INSTRUCTIONS

Do's:

Check if you are eligible to apply;
Read all the instructions carefully and complete the applicable Application Form;
Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

Do not apply for lower than the minimum Application size;
Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
Do not pay the Application Price in cash, by money order or by postal order or by stock invest;

Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.

Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;

In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;

PAN not mentioned in the Application Form;

GIR number furnished instead of PAN;

Applications for lower number of Equity Shares than specified for that category of investors;

Applications at a price other than the Fixed Price of The Issue;

Applications for number of Equity Shares which are not in multiples of 1,200;

Category not ticked;

Multiple Applications as defined in this Prospectus;

In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;

Applications accompanied by Stock invest/ money order/ postal order/ cash;

Signature of sole Applicant is missing;

Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;

In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);

Applications by OCBs;

Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;

Applications not duly signed by the sole;

Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;

Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;

Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;

Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 5.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 68A 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.”

Signing of Underwriting Agreement

Vide an Underwriting agreement dated October 9, 2013 this issue is 100% Underwritten.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56 and Section 60 of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati newspaper with wide circulation.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 12 days of the Issue Closing Date.

After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 days of closure of Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

PAYMENT OF REFUND

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the LM shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

ECS (Electronic Clearing System) – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of such centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.

Direct Credit – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.

RTGS (Real Time Gross Settlement) – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ₹ 1.00 Lacs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

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.

For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be sent through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 days of Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

Allotment of Equity Shares shall be made within 12 (twelve) days of the Issue Closing Date;

Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Issue Closing Date would be ensured; and

The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) days time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (fifteen) days time.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

That the complaints received in respect of this Issue shall be attended to by us expeditiously;

That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of Allotment;

That funds required 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;

That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

That the certificates of the securities/ refund orders to the non resident Indians shall be dispatched within specified time; and

That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.

That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

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;

details of all monies utilised out of the issue referred to in subitem(1) shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilised; and

details of all unutilised monies out of the issue of specified securities referred to in sub-item (1) shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested; and

Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LM reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, QIB Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated July 30, 2013 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated July 09, 2013 between CDSL, the Company and the Registrar to the Issue;

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.

Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their

independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA

Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Interest in Case of Delay in Despatch of Allotment Letters or Refund Orders/instruction to Self Certified Syndicate Banks by the Registrar in Case of Public Issues

The issuer agrees that as far as possible allotment of securities offered to the public shall be made within fifteen days of the closure of public issue. The issuer further agrees that it shall pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within fifteen days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated primarily by the FEMA and the policy prescribed by the Department of Industrial Policy and Promotion, Government of India through circular 2 of 2011 with effect from October 1, 2011 ("FDI Policy"). While the FDI Policy 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 FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The Government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

In terms of the Consolidated FDI policy (effective from April 10, 2012), issued by the Department of Industrial Policy and Promotion, 100% foreign direct investment in the Company is permitted.

Subscription by foreign investors (NRIs/FIIs)

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/ RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX- DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATIONS

MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

SHARE CAPITAL AND VARIATION OF RIGHTS

Title of Article	Article Number	Contents
Share Capital and Variation of Rights	5	<p>(a) The authorise Share Capital of the Company shall be as per Clause V of the Memorandum of Association, with power to increase or reduce the share Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, cumulative convertible preference, guaranteed, qualified or special rights privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate such rights, privileges or conditions in such manner as may be for the time being be provided by the Articles of Association.</p> <p>(b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up</p>
Increase, Reduction and Alteration of Capital	6	<p>The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.</p> <p>On what Conditions the New Shares may be Issued</p> <p>(a) Subject to the provisions of Section 80, 81 and 85 to 90 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of said Sections with special or without any right of voting and subject to provisions of Section 80 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.</p> <p>Further Issue of Capital</p> <p>(b) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of un issued share capital or out of the increased share capital.</p> <p>(i) Such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.</p> <p>(ii) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than one month from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. PROVIDED THAT the</p>

		<p>Directors may decline without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.</p> <p>(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice shall contain a statement of this right.</p> <p>(iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(v) Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the person referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.</p> <p>if a special resolution to that effect is passed by the Company in General Meeting, or</p> <p>where no such special resolution is passed if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members Who, being entitled to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>(vi) Nothing in sub-clause (c) of (1) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To Authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.</p> <p>(vii) Notwithstanding anything contained in sub-clause (a) above, but subject, however to Section 81 (3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company. Nothing in this Articles shall apply to the increase of the subscribed.capita1 of the company caused by the exercise of an option attached to the debenture issued or loans raised by the Company.</p> <p>To convert such debentures or loans into shares in the Company; or</p> <p>(ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.</p> <p>Directors may Allot Shares as Fully Paid Up</p> <p>(c) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or, machinery supplied or for</p>
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		<p>services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.</p> <p>Same as Original Capital</p> <p>(d) Except so far as otherwise provided by the conditions of Issue or by these presents any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender, voting and otherwise.</p> <p>Unclassified Shares</p> <p>(e) Any unclassified shares (whether forming part of the original capital or of any increased capital of the Company) may subject to the provisions of the Act and these presents be issued either with the sanction of the Company in General Meeting or by the Directors and upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting sanctioning the issue of such shares be directed and, if no such direction be given and in all other cases, as the Directors shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and if distribution of the assets of the Company and any' preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed provided however that (1) no shares shall be issued pursuant to this Article without the sanction of the Company in General Meeting unless they shall subject to the provisions of Section 81 of the Act be offered to the persons who are holders of equity shares of the Company in proportion, as nearly as circumstances admit to the capital paid up on those shares and (2) no unclassified shares shall without the sanction of the Company in General Meeting be issued as preference shares if the aggregate nominal amount of issued preference shares would thereby exceed the aggregate nominal amount of the issued equity shares of the Company.</p>
Power to Issue Redeemable Preference Shares	7	<p>(a) Subject to the provisions of Section 80 of the Act and subject to the provisions on which any shares may have been issued, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:</p> <p>Provided that:</p> <p>(i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;</p> <p>(ii) no such shares shall be redeemed unless they are fully paid;</p> <p>(iii) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account before the shares are redeemed;</p> <p>(iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for, dividend, be transferred to be a reserve fund, to be called "the capital redemption reserve account a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply if the capital redemption reserve account were paid up share capital of the Company.</p> <p>(b) Subject to the provisions. of Section 80 of the Act and. subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and</p>

		<p>in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.</p> <p>(c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorised share capital.</p> <p>(d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable Under Section 611 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.</p> <p>Provided that where new shares are issued before redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.</p> <p>The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un issued shares of the Company to be issued to members of the Company as fully paid bonus shares.</p>
Provision in Case of Redemption of Preference Shares	8	<p>The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the Whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect:</p> <p>(a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and</p> <p>(b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender to the Company the Share Certificates in respect of the Shares to be redeemed and thereupon the Company shall pay the amount payable to the shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate there for.</p> <p>(c) Subject to the provisions of Section 180 of the Act, the following provisions shall apply in regard to the redemption of the Cumulative Preference Shares,</p> <p>(i) The Company may within such time as may be specified in these Articles by an amendment thereof from the date of issue of the shares, apply any; profits or moneys of the Company which may be lawfully applied for the purpose in the redemption of the preference shares at par, together with a sum equal to arrears of dividend thereon drawn to the date of redemption.</p> <p>(ii) In the case of any partial redemption under sub-clause(c) (i) of the Article, the Company shall for the purpose of ascertaining the</p>

		<p>particular shares to be redeemed, cause a drawal to be made at the Registered Office or at such other: place as the Directors may decide, in the presence of a representative " of the Auditors for the time being of the Company.</p> <p>(iii)Forthwith after every such drawal the Company shall give to the holders of the shares drawn for redemption notice in writing of the Company's intention to redeem the same fixing a time (not. less than three months thereafter) and the place for redemption and surrender of the shares to be redeemed.</p> <p>(iv) At the time and place so fixed each holder shall be bound to surrender: to the Company the certificate for his shares to be redeemed payable in respect of such redemption and where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.</p> <p>(v) Any of the Redeemable Cumulative Preference Shares not previously redeemed under the foregoing provisions shall be redeemed at the expiry of 5 years from the date of the issue of the shares at par together with all arrears of the dividend thereon (whether earned or declared or not up to the date).</p> <p>(d) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects pari passu with the preference shares then outstanding, PROVIDED in the event of its creating, and/or issuing further preference shares ranking pari passu with the Preference Shares then outstanding the Company would do so only with the consent of the \ holders of not less than three-fourths of the preference shares then outstanding.</p> <p>(e)The Redeemable Cumulative Preference Shares shall not confer upon the holders thereof the right to vote their in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 87 (2) of the Act.</p> <p>(f) The rights, privileges and conditions for the time being attached to the Redeemable Cumulative Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.</p>
Cumulative Convertible Preference Shares	9	<p>Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the provisions of the Act and/or the provisions of the Capital Issues (Control) Act, 1947, the Company may issue Cumulative Convertible Preference. Shares (CCP) in such manner as the Board of Directors of the Company may decide and specifically provide for:</p> <p>(i) the Quantum of issue;</p> <p>(ii) the terms of the issue with particular reference to the conversion of CCP into the equity shares of the Company;</p> <p>(iii)the rate of cumulative preferential dividend payable on CCP, the voting rights to be attached to CCP and any other terms and conditions which may be attached to the issue of CCP and as permissible in law.</p>
Reduction of Capital	10	<p>The Company may from time to time by special resolution, subject to confirm by the Court and subject to the provisions of Sections 78, 80 and 100 to 104 of Act, reduce its share capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law in particu1ar with prejudice to the generality of the foregoing power may by;</p> <p>(a)extinguishing or reducing the liability on any of its shares in respect of share capital not paid up;</p> <p>(b) either with or without extinguishing or reducing liability on any of its share cancel paid up share capital which is lost or is unrepresented by available asset or</p> <p>(c)either with or without extinguishing or reducing liability on any of</p>

		shares, payoff any paid up share capital which is in excess of the wants of the Company and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.
Division, Sub-division, Consolidation, Conversion and Cancellation of Shares	11	<p>Subject to the provisions of Section 94 of the Act, the Company in general meeting may by an ordinary resolution alter the conditions of its Memorandum as follows that is to say; it may;</p> <p>(a) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares</p> <p>(b) sub-divide its shares or any of them into shares of smaller amount than original fixed by the Memorandum subject nevertheless to the provisions of the Act that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share- from which the reduced share derived; and so that as between the holders of the shares resulting from sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares</p> <p>(c) convert, all or any of its fully paid up shares into stock, and re-convert the stock into fully paid up shares of any denomination</p> <p>(d) cancel, shares which at the date of such general meeting have not been taken or agreed to be taken by any person, and diminish the amount of its share capital, by the amount of the shares so cancelled.</p> <p>Notice to Registrar of Consolidation of Share Capital, Conversion of Shares into Stock etc.</p>
	12	<p>(a) If the Company has :</p> <p>(i) Consolidated and divided its share capital into shares of larger amount than its existing shares</p> <p>(ii) converted any shares into stocks;</p> <p>(iii) re-converted any stock into shares;</p> <p>(iv) sub-divided its share or any of them;</p> <p>(v) redeemed any redeemable preference shares; or</p> <p>(vi) cancelled any shares otherwise than in connection with a reduction of Share Capital under Sections 100 to 104 of the Act.</p> <p>The Company shall within one month after doing so, give notice thereof to the Registrar specifying as the case may be, the shares consolidated, divided, converted, sub-divided, redeemed or cancelled or the stocks re-converted.</p> <p>(b) The Company shall thereupon request the Registrar to record the notice and make any alterations which may be necessary in the Company's Memorandum or Articles or both.</p>
Modification of Rights	13	<p>If at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The provisions of these Articles relating to general meeting shall mutatis mutandis apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Article 103 is not present, those persons who are present shall be the quorum.</p>

SHARES/DEBENTURES AND CERTIFICATES

Title of Article	Article Number	Contents
Issue of Further Shares not to Affect Right of Existing Shareholders	14	The rights, privileges conferred upon the holders of the shares of any class issued with preference or other, rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be, varied or modified or affected by the creation or issue of further shares ranking pari passu therewith. Provisions of Sections 85 to 88 of the Act to apply.
	15	The provisions of Sections 85 to 88 of the Act in so far as the same may, be applicable shall be observed by the company Register of Members and Debenture holders.
	16	<p>(a)The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Sections 150 and 151 of the Act and: Register and Index of Debenture holders in accordance with Section 152 of the At The Company may also keep a foreign Register of Members and Debenture holders in accordance with Section 157 of the Act.</p> <p>(b) The Company shall also comply with the provisions of Sections 159 and 161 of the Act as to filing of Annual Returns.</p> <p>(c)The Company shall duly comply with the provisions of Section 163 of the Act in regard to keeping of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.</p>
Commencement of Business	17	The Company shall comply with the provisions of Section 149 of the Act.
Restriction on Allotment	18	The Board shall observe the restriction as to allotment of shares to the public contained in Sections 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act.
Shares to be Numbered Progressively and no share to be Subdivided	19	The shares in the capital shall be numbered progressively according to the several denominations and except in the manner herein before mentioned no share shall be subdivided: Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
Shares at the Disposal of the Directors	20	Subject to the provisions of Section 81 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them such. persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors may think fit, and may issue and a lot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and ,if so issued, shall be deemed to be fully paid shares and if so issued shall be deemed fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without sanction of the Company in the General Meetings.
Every Share Transferable etc	21	<p>(i)The shares or other Interest of any member in. the Company shall be movable property, transferable in the manner provided by these Articles.</p> <p>(ii)Each share in the Company shall be distinguished by its appropriate number.</p> <p>(iii)A Certificate under the Common Seal of the Company; specifying</p>

		any shares held by any member shall be, prima facie, evidence of the title of the member of such shares.
Application of Premium Received on Issue of shares	22	<p>(a)Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on those shares shall be transferred to an account to be called the share premium account and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the share premium account were paid up share capital of the Company.</p> <p>(b) The share premium account may; notwithstanding, anything in clause (a) above, be applied by the, Company:</p> <p>(i)in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;</p> <p>(ii)in writing off the preliminary expenses of the Company;</p> <p>(iii)in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or</p> <p>(iv) in providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company</p>
Sale of Fractional Shares	23	If and whenever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications 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.
Acceptance of Shares	24	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a member, The Directors shall comply with the provisions of Sections 69, 70, 71, 72 and 73 of the Act in so far as they are applicable.
Deposits and Calls etc. to be a Debt Payable Immediately	25	The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the 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.
Company not Bound to Recognise any Interest in Shares other than of Registered Holder	26	Save as herein provided, the Company shall be entitled to treat the person whose name appears of the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not except as ordered by a Court competent jurisdiction or as by law required be bound to recognise any benami or partial or other claim or claims or right to or Interest In such share on the pari pasu of any other person whether or not it shall have express or implied notice thereof and the provisions of Section 153 of the Act shall apply.
Declarations of Person not Holding Interest in Shares	27	When any declaration is filled with the Company under the provisions of Section 187C of the Act by any, holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who

		holds beneficial-interest in any shares of the Company but is not the registered holder of the Company shall make note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar, with regard to such declaration.
Issue of Certificates of Shares to be Governed by Section 84 of the Act etc.	28	<p>(a)"Shares/Debenture Certificates shall be issued in marketable lots where share debenture certificates are issued for either more or less than marketable lots, sub- division/consolidation into marketable lots shall be done free of charge.</p> <p>The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed, by the provisions of Section 84 and the provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed for the time being.</p> <p>(b)The Certificate of title of shares shall be issued under the Seal of the Company and shall be signed by such Directors or Officers or other authorised persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons at the Directors may determine from time to time.</p> <p>(c)The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 84 of the Act.</p> <p>(d)A common form of transfer, shall be used, for transfer for, its Shares and/or Debentures.</p>
Limitation of Time of Issue of Certificate	29	<p>(a)Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or to several certificates, each for one or more of such shares and the Company shall complete and deliver such Certificates within the time provided by Section 113 of the Act unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue one than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient, delivery to all such holders.</p> <p>(b)The Company may not entertain any application for split of share/debenture certificate for less than 10 shares/debentures (all relating to the same series) in market lots as the case may be. Provided however this restriction may not apply to an application made by the existing member or debenture holder for split of share/debenture certificate with a view to make an odd lot holding into a marketable lot subject to verification by the Company.</p> <p>(c)Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules make under the Act or such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.</p>
Issue of new	30	If any certificate be worn out, defaced, mutilated or torn if there be no,

Certificates in Place of one Defaced Lost or Destroyed		<p>further space on the back hereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu, thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company if demanded by the Directors.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rule made under the Act or the Rules made under Securities Contract (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.</p> <p>The provisions of the Article under this heading shall mutatis mutandis apply to debentures of the Company.</p>
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UNDERWRITING COMMISSION AND BROKERAGE

Title of Article	Article Number	Contents
Power to pay Certain Commission and Prohibition of Payment of All other Commissions Discounts etc	31	<p>(A)The Company may pay a commission to any person in consideration of</p> <p>(i)his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in sub-section (4A) of Section 76 of the Act or</p> <p>(ii)his procuring or agreeing to procure subscriptions whether absolute or conditional for any share in or debentures of the Company, if the following conditions are fulfilled namely</p> <p>(a) the commission paid or agreed to be paid does not exceed in the case of shares five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued;</p> <p>(b) the amount or rate percent of the commission paid or agreed to be paid, on commission paid or agreed to be paid; on shares on debentures offered to the public for subscription, is disclosed in the Prospectus, and in the case of shares or debentures not offered to the Public for subscription is disclosed in the Statement in lieu of Prospectus and filed before the payment, of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice</p> <p>(c) the number of shares or debentures which such persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid and</p> <p>(d) a copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement . in lieu. of prospectus for registration.</p> <p>(B) Save as aforesaid and save as provided in Section 75 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance to any person in consideration of</p> <p>(i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company, or</p> <p>(ii)his procuring or agreeing to procure subscriptions, whether absolutely or .conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be</p>

		<p>executed for the Company, or the money be paid out of the nominal purchase money or contract price, or otherwise</p> <p>(C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.</p> <p>(D) A vendor to, promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission, the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.</p> <p>(E) The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures of debenture-stock of the Company.</p>
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CALLS ON SHARES

Title of Article	Article Number	Contents
Directors May Make Calls	32	The Directors may from time to time and subject to Section 91 of the Act and subject to the terms on which any shares/debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members/debenture- holders in respect of all moneys unpaid on the shares/debenture held by them respectively and each member/debenture holder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments as may be decided by the Board. A call may be postponed revoked as the Board may determine.
Calls to date from Resolution	33	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by members/ debenture-holders on a subsequent date to be specified by the Directors.
Notice of Call	34	One month notice in writing shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time of payment of such call, the Directors may be notice is writing to the members/ debenture holders to revoke the same.
Directors may Extend Time	35	The Directors may, from time to time, at their discretion, extend the time fixed for the payment of .any call, and may extend such time as to all or any of the members/ debenture holders who on account of residence at a distance or other cause the Directors may deem fairly entitled to such extension, but no member/debenture holder shall be entitled to such extension, save as a matter of grace and favor.
Sums Deemed to be Calls	36	Any sum, which .by the terms of issue of a share/debenture becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share/ debenture or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes' payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
Instalments on Shares to be Duly Paid	37	If by the condition of allotment of any shares the whole or part of the amount of issue price thereof shall be payable by installments every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.
Calls on Shares of	38	Where any calls for further Share Capital are made on shares, such

the Same Class to be made on Uniform Basis		calls shall be made on a uniform basis on all shares falling under the same class
Liability of Joint Holders of Shares	39	The joint holders of a share shall be severally as well as jointly liability for the payment of all installments and calls due in respect of such shares.
When Interest on Call or Installment Payable	40	If the sum payable in respect: of any call or installment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allotted of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest as shall be fixed by the Board from the day appointed for the payment thereof or any such extension thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
Partial Payment not to Preclude Forfeiture	41	Neither a judgment nor a decree in favor of the Company for calls or other moneys due i; respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of any such payment preclude the forfeiture of such shares as herein provided
Proof on Trial of Suit for Money due on Shares	42	On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member or his representatives, sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in Anticipation of Calls may Carry Interest	43	(a)The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the saine whole or any part of the money due upon the shares held by him, beyond the sums actually called for, and upon the amount so paid or satisfied. in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which: such advance has been made, the Company may pay interest at such rate, to the 'member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends, The Directors may at any time repay the amount so advanced, (b)The member shall not however be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

LIEN

Title of Article	Article	Contents
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	Number	
Company lien on Shares/Debentures	44	The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered to the name of each Member and/or debenture holder (whether held singly or jointly with others) in respect of all moneys called or payable at a fixed time in respect of such shares whether the time for payment thereof shall have actually arrived or not and shall extend to all dividends, interest rights and bonuses from time to time declared in respect of such shares and/or debentures, Unless otherwise agreed the registration of transfer of shares and/or debentures shall operate as a waiver of Company's lien, if any, on such shares and/or debentures, The Directors may at any time declare any share and/ or debenture wholly or in part exempt from the provisions of this Articles
As to Enforcing lien by sale	45	For the purpose of enforcing such lien, the Board may sell the shares! debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and/or debentures and may authorise one of their members or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/ debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice of at least 30 days in writing of the intention to sell shall have been served on such member and/or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
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 payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale. (b)The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognise equitable or other claim to, or interest in, such shares or debentures .on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

FORFEITURE

Title of Article	Article Number	Contents
If Call or Installment not paid Notice must be given	47	(a)If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied .in whole" or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such nonpayment. (b)The notice shall name a day not being less than one month days

		<p>from the date of the notice and a place or places, on and at which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited.</p> <p>In Default of Payment Shares or Debentures to be forfeited</p>
	48	<p>If the requirements of any such notice as aforesaid are not complied with any share debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company, In respect of the payment of any such money, shall preclude the company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.</p>
Entry of Forfeiture in Register of Members/Debenture holders	49	<p>When any shares debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name in stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof shall forthwith be made in the Register of members or debenture holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.</p>
Forfeited Share/Debenture to be Property of Company and may be sold	50	<p>Any share or debenture so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder or to any other 'person upon such terms and in such manner as the Directors shall think fit</p>
Power to Annual Forfeiture	51	<p>The Directors may, at any time, before any shares or debentures so forfeited shall have been sold, re-allotted or otherwise disposed of, annul forfeiture thereof upon such conditions as they think fit, Shareholders or Debenture holders still be liable to pay Money Owing at Time of Forfeiture and Interest.</p>
	52	<p>Any member or debenture holder whose shares or debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, installments, interest, expenses and other money owing, upon or in respect of such ,shares or debentures at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so.</p>
Effect of Forfeiture	53	<p>The forfeiture of a share or a debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of these rights as by these Articles are expressly</p>
Certificate of Forfeiture	54	<p>A Certificate in writing under the hand of one Director and countersigned but the Secretary or any other Officer authorised by the Directors for the purpose, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made that the forfeiture of the share or debenture was made by a resolution of Directors to that effect shall</p>

		be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.
Validity of Sales under Articles 43 and 50	55	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers here in above given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of members or Register of debenture holders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of members or debenture holders in respect of such shares or debenture the validity of the sale shall. not be impeached by any person, and the remedy of any person aggrieved by the sale shall be, for damages only and against the Company exclusively.
Cancellation of Share/Debenture Certificate in Respect of Forfeited shares/Debentures	56	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares or debentures' shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member or debenture holder) stand cancelled and become null and void and be of no effect, and the directors shall be entitled to issue a duplicate certificate/s in respect of the said share or debentures to the person/s entitled thereto.
Title of Purchaser and Allotted of Forfeited Shares/Debentures	57	The Company may receive the consideration, if any, given for the share or debenture on any sale, re-allotment or other disposed on. thereof, and the person to whom such share or debenture is sold, re-allotted or disposed of may be registered as the holder of the share of debenture and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share or debenture be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share or debenture.
Surrender of Shares or Debenture	58	The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Title of Article	Article Number	Contents
Register of Shares or Debenture	59	The Company shall keep a book to be called the Register of transfers and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
Form of Transfer	60	The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act, shall be duly complied with in respect of all transfer of shares and registration thereof.
Instrument of Transfer to be executed by Transferor and Transferee	61	Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.
Directors may Refuse to Register Transfer	62	(a) Subject to the provisions of Section 111 of the Act and Section 22 of Securities Contract (Regulations) Act, 1956 and the rules and regulations made there under, the Directors may, at their own absolute and uncontrolled discretion, decline by giving reasons to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Directors shall within one month

		<p>from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.</p> <p>(b) Nothing in Sections 108, 109 and 110 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission on legal documents by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company</p>
Transfer of Share	63	<p>(a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Cause (d) of this Article, the Company shall unless object is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Registrar of members the name of the transferee In the same manner and , subject to the same conditions as if the application for registration was made by the transferee.</p> <p>(b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid register post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.</p> <p>(c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.</p> <p>(d) Nothing in clause (c) above shall prejudice any power of the Company to register as share holder any person to whom the right to any share has been transmitted by operation of law.</p> <p>(e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.</p>
Custody of Instrument of Transfer	64	<p>The instrument of transfer shall after' registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.</p>
Transfer Books and Register of Members when Closed	65	<p>The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books. The Register of members or Register of debenture holders at such time or times and for such period' or periods, not exceeding thirty days at a time and not exceeding in</p>

		the aggregate forty-five days in each year.
Transfer to Minors etc.	66	Only fully paid shares or debentures shall be transferred a minor acting through his/her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.
Title to Share of Deceased Holder	67	The executors or administrators of a deceased member (not being one or two or more joint holders) or the holder of a Succession Certificate or the legal representative of a deceased member (not being one or two or more joint holders) shall be the only persons whom the Company will be bound to recognize as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or the legal representatives unless they shall have first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary and under Article 66 register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member.
Registration of Persons Entitled to Share Otherwise than by Transfer	68	<p>(a) Subject to the provisions of Article 74 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in, respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favors of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.</p> <p>(b) A transfer of the share or other interest in the Company of a deceased member .thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.</p>
Claimant to be Entitled to Same Advantage	69	The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board shall thereafter withhold of all dividends, interests, bonuses or other moneys payable in respect of the share until to requirements of the notice have been complied with.
Persons Entitled may Receive Dividend without being registered as Member	70	(a) A person entitled to a share by transmission shall, subject to the rights of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give discharge for any dividends, bonuses or other moneys payable in

		respect of the share debenture. (b) This Article shall not prejudice the provisions of Articles of 45 and 56.
Refusal to Register Nominee	71	The Directors shall have the same right to refuse on legal grounds to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Directors may require Evidence of Transmission	72	Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
Fee on Transfer/Subdivision Consolidation of Shares and Debentures	73	<p>(a) The Company shall not make any charge:</p> <p>(i) For registration of transfers of Shares and Debentures;</p> <p>(ii) For sub-division and/or consolidation of Shares and/or Debenture Certificates and for sub-division of letter of Allotment and Split, Consolidation, Renewal and Transfer Receipts into denominations corresponding to the Market units of trading;</p> <p>(iii) For sub-division of renounceable letters of Right;</p> <p>(iv) For issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.</p> <p>(v) For registration of any Power of Attorney, Probate, Letters of Administration or similar other documents.</p> <p>(b) The Company shall not charge any fees exceeding those which may be agreed upon with the Stock Exchange:</p> <p>(i) For Issue of new certificates in replacement of those that are torn, defaced, lost or destroyed.</p> <p>(ii) For sub-division and consolidation of Shares and Debentures Certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and Receipts into denominations '9ther than those fixed for the market units of trading.</p>
The Company not liable for Disregard of a Notice Prohibiting Registration of Transfer	74	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 there or (as shown or appearing in the Register of members) to the prejudice or persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such, transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, thought it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect, thereto if the Directors shall so think fit.
Not more than Four Persons as Joint Holders	75	The Company shall be entitled to decline to register more than for persons as the holders of any shares. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debenture of the Company.

JOINT HOLDERS

Title of Article	Article	Contents
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	Number	
Joint Holders	76	<p>Where two or more persons are registered as the holders of any share/ debenture, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.</p> <p>(a) In the case of a transfer of share/ debenture held by joint holders, the transfer will be effective only if it is made by all the joint holders.</p> <p>(b) The Joint holder of any share/debenture shall be liable severally as well as jointly \ for and in respect of air calls or instalments and other payments which ought to be made in respect of such share/debenture.</p> <p>(c) On the death of anyone or more of such joint holders the survivor or survivors shall be the only person or persons. recognized by the Company as having any title to the share/debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to, release the estate of a deceased joint holder from any liability on share/debentures held by him jointly with any other person.</p> <p>(d) Anyone of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share/debenture.</p> <p>(e) Only the person whose name stands first in the Register of Members Debenture holders as one of the joint holders of any share/debentures shall be entitled to the delivery of the certificate relating to such share/ debenture or to receive notice (which expression shall be deemed to include all documents as defined in Article (2) (a) hereof and any document served on or sent to such person shall be deemed service on at the joint holders.</p> <p>(f) (i) Anyone of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher as the case may be on the Register in respect of such share shall at one be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by Attorney or by proxy although the name of such joint-holder present by an Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.</p> <p>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands shall for the purpose of this clause be deemed joint holders.</p>
Borrowing Powers	77	<p>(a) Subject to the provisions of Sections 58A, 292 and 293 of the Act and of these Articles and subject to any restriction imposed by Reserve Bank of India, Board of Directors, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided' however where the moneys to be borrowed together with the moneys already borrowed including acceptance of deposits 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</p>

		<p>purpose) the Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be paid or effectual unless the tender or proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p> <p>Term of Issue of Debenture</p> <p>(b) Any debentures, 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, standing (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>
Bonds, Debentures etc. to be subject to control of Directors	78	<p>Any bonds, debentures, debenture-stocks or other securities issued or to be issued by the company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</p> <p>Provided that bonds, debentures debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.</p>
Securities may be Assignable free from Equities	79	<p>Debentures, debenture-stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Power to issue shares at Discount	80	<p>With the previous authority of Company in General Meeting and the sanction of the Company Law Board and upon otherwise complying with the provisions of Section 79 of the Act, it will be lawful for the Directors to issue at a discount, shares of a class already issued.</p>
Debentures with voting rights not to be issued	81	<p>(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.</p> <p>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(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.</p> <p>(d) Certain charges mentioned in Section 125 of the Act shall be void against the liquidators or creditors unless registered as provided in Section 125 of the Act.</p> <p>(e) The term 'charge' shall include mortgage in these Articles.</p> <p>(f) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree for specific performance.</p>
Limitation of Time for Issue of Certificate	82	<p>The Company shall, within three months after the allotment of any of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and deliver the Certificate of all the debentures and the Certificates of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide.</p> <p>The expression transfer for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.</p>
Right to Obtain	83	<p>(i) A copy of any Trust Deed for securing any issue of</p>

Copies of and Inspect Trust Deed		<p>debentures' shall be forwarded to the holder of any such debentures or any member of the Company at his request and with s even days of the making thereof on payment.</p> <p>(a) in the case of a printed Trust Deed of the sum of Rupee one and</p> <p>(b) in the case of a Trust Deed which has not been printed of thirty seven paise for every one hundred words or fractional part thereof required to be copied.</p> <p>(ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the Register of members of the Company.</p>
Mortgage of Uncalled Capital	84	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
Indemnity may be given	85	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge' or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
Registration of Charges	86	<p>a) The provisions of the Act relating to registration of charges shall be complied with.</p> <p>(b) In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 125 of the Act shall also be complied with.</p> <p>(c) Where a charge is created in India but comprises property' outside India, the instrument, creating or purporting to create the charge under Section 125 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 125 of the Act.</p> <p>(d) Where any charge on any property of the Company required to be registered under Section 125 of the Act has been so registered, any person acquiring such property or any 'part thereof or any share or Interest therein shall be deemed to have notice of the charge as from the date of such registration.</p> <p>(e) In respect of registration of charges on properties acquired subject to charge, the provisions of Section 127 of the Act shall be complied with.</p> <p>(f) The Company shall comply with the provisions of Section 128 of the Act relating to particulars in case of series of debentures entitling holders pari passu.</p> <p>(g) The Company shall comply with the provision of Section 129 of the Act in regard to registration of particulars of commission, allowance or discount paid or made directly or indirectly, in connection with the debentures.</p> <p>(h) The provisions of Section 133 of the Act as to endorsement of Certificate of registration on debenture or Certificate of debenture stock shall be complied with by the Company.</p> <p>(i) The Company shall comply with the provisions of Section 134 of the Act as regards; registration of particulars of every charge and of every series of debentures.</p> <p>(j) As to modification of charges, the Company shall comply with the provisions of Section 135 of the Act.</p> <p>(k) The Company shall comply with the provisions of Section</p>

		<p>136 of the Act regarding keeping a copy of instrument creating charge at the registered office of the Company and comply with the provisions of Section 137 of the Act in regard to entering in this register of Charges any appointment of Receiver or Manager !;ii' as therein provided.</p> <p>(l) The Company shall also comply with the provisions of Section 138 of the Act as to reporting satisfaction of any charge and procedure thereafter.</p> <p>(m) The Company shall keep at its registered office a Register of Charges and enter therein all charges specifically affecting any property of the Company and all floating charges on the undertaking or on any property of the Company giving in each case.</p> <p>(i) a short description of the property</p> <p>(ii) the amount of the charge; and</p> <p>(iii) except in the case of securities to bearer, the names of persons entitled to the charge.</p> <p>(n) Any creditor or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 144 of the Act.</p>
Trust not Recognised	87	No notice of any trust, express or implied or constructive, shall be entered on the register of Debenture holders.

SHARE WARRANTS

Title of Article	Article Number	Contents
Power to Issue Share Warrants	88	The Company may issue share warrants subject to and in accordance with the 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 person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time require as to the identity of the person signing the application, and, on receiving the certificate (if any) of the Share, and to amount of the stamp duty on the warrant and such, fee as the Board may; from time to time require, issue a share warrant.
Deposit of Share Warrants	89	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the office .of the company, and so long as the warrant remains so deposited the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting, and exercising the other privilege of a Member at any meeting held after the expiry of two clear days from the time of deposit; as if his name were inserted in the Register of members as the holder of the share included in the deposited warrant.</p> <p>(b)Not more than one person shall be recognised as depositor of the Share Warrant.</p> <p>(c)The company shall on two days written notice return the deposited share warrant to the depositor.</p>
Privileges and Disabilities of the Holders of the Share Warrant	90	(a) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

		(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of members as the holders of the share included in the warrant and he shall be member of the Company.
Issue of New Share Warrant or Coupon	91	The Board may, from time to time, make rules as the terms on which (if it shall think fit) a new share warrant or coupon, may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number	Contents
Share may be converted into Stock	92	The Company in general meeting may convert any paid up share into stock and when any share shall have been converted into stock the several holders of such stock may thenceforth transfer their respective interest therein or any part of such interests, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near there to as circumstances will admit. The Company may at any time reconvert any stock in to paid up share of any denomination.
Rights of Stock Holders	93	The holders of stock shall, according to the amount of stock, held by them, have the same right, Privileges and advantages as regards dividends, voting or meeting of the Company and other matters, as if they held the shares from which the stock- arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and the assets on winding up) shall be conferred by an amount of stock which would not if existing in share, have conferred that privilege or advantage.

GENERAL MEETINGS

Title of Article	Article Number	Contents
Statutory Meeting	94	The statutory meeting of the Company shall be held at such place and time (within a period of not less than one month nor more than six months from the date on which the Company is entitled to commence business) as the Directors may determine and the Directors shall comply with the provision of the Section 165 of the Act relating thereto.
Annual General Meeting	95	Subject to the provisions contained in Section 166 and 210 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that if the Registrar for any special reason extends the time within which any annual general meeting shall be held, then such annual general meeting may be held within such extended period
Time and Place of Annual General Meeting	96	Every annual general meeting shall be called at any time during business hours, on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the

		meeting shall specify it as the annual general meeting.
Sections 171 to 186 of the Act shall apply to Meeting	97	Sections 171 to 186 of the Act with such adaptation and modifications, if any as may be prescribed, shall apply with respect to meeting of any class of members or debenture holders of the Company in like manner as they would with respect to general meetings of the Company.
Powers of Directors to Call Extraordinary General Meeting	98	The Directors may call an extraordinary general meeting of the Company whenever they think fit.
Calling of Extra Ordinary General Meeting on Requisition	99	<p>(a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extra-ordinary general meeting of the company.</p> <p>(b) The requisition shall set out the matters for the considerations of which the meeting is to be called, shall be signed by requisitions, and shall be deposited at the registered office of the company</p> <p>(c) The requisition may consist of several documents in like forms, each signed by one or more requisitions.</p> <p>(d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.</p> <p>(e) Where two or more distinct matters are specified in the requisition the provisions of clause (d) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.</p> <p>(f) If the Board does not, within twenty one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters then on a 'day not later than forty five days from the date of the deposit of the requisition, the meeting may be called.</p> <p>(i) by the requisitions themselves</p> <p>(ii) by such of the requisitions as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of such of the paid up share capital of the Company as is referred to in clause (d) above whichever is less.</p> <p>Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice is thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(g) A meeting, called under Clause (f) above, by the requisitions or any of them</p> <p>(i) shall be called in the same manner, as nearly as possible as that in which meetings are to be called by the Board; but</p> <p>(ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.</p> <p>Explanation: Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.</p> <p>(h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.</p> <p>(i) Any reasonable expenses incurred by the requisitions by reason of the failure of the Board duly to call a meeting shall be</p>

		repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default
Length of Notice for Calling Meeting	100	<p>(a) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing.</p> <p>(b) A General Meeting of the Company may be called after giving shorter notice than that specified in clause (a) above, if consent is accorded thereto</p> <ul style="list-style-type: none"> (i) in the case of an annual general meeting by all the members entitled to vote thereto; and (ii) in the case of any other meeting, by members, of the Company holding not less than 95 (ninety five) per cent of such part of the paid up capital of the Company as gives a right to vote at the meetings; <p>Provided that where any members of the Company are entitled to vote only on some resolution or resolution to be moved at the meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>
Contents and Manner of Service of Notice and Persons on whom it is to be served	101	<p>(a) Every notice of a meeting of the Company shall specify the place and the day and hour of the, meeting and shall contain a statement of the business to be transacted there at.</p> <p>(b) Notice of every meeting of the Company shall be given</p> <ul style="list-style-type: none"> (i) to every member of the Company, in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act; (ii) to the persons entitled to a share in consequence of a deal or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; (iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of any member or members of the Company and (iv) to all the Directors of the Company. Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered Office of the Company under sub Section (3) of Section 53 of the Act, the statement of the material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company. <p>(c) The Accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the the Meeting.</p>
Explanatory Statement to be Annexed to Notice	102	<p>(A) For the purpose of this Article</p> <ul style="list-style-type: none"> (i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to

		<p>(a) the consideration of the accounts, balance sheet and the reports of the Board of Directors and auditors.</p> <p>(b) the declaration of a dividend.</p> <p>(c) the appointment of directors in the place of those, retiring, and</p> <p>(d) the appointment of and the fixing of the remuneration of the auditors and</p> <p>(ii) in the case of any other meetings, all business shall be deemed special.</p> <p>(B) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern of interest, if any, therein of ever)' Director, and the manager, if any.</p> <p>Provided that where any item of special business as aforesaid to: be transacted at a meeting of the Company relates to, or affects, any another Company, the extent of shareholding interest in that' other Company of any such person shall be set out in circumstances specified in the provision to sub-section (2) of section 173 of the Act.</p> <p>(C) Where any item of business consists of the according of approval to, any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.</p>
Quorum for Meeting	103	<p>(a) Five members personally present shall be the quorum for a General Meeting of the Company.</p> <p>(b) (i) If within half an hour from the time appointed for holding meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand dissolved.</p> <p>(ii) In any other case, the meeting :shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place, as the Board may determine.</p> <p>(c) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.</p>
Adjourned Meeting to Transact Business	104	<p>(a) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.</p> <p>(b) Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have -been passed on any earlier date.</p>
Chairman of General Meeting	105	<p>(a) to business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.</p> <p>(b) (i) The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, if there be no, Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, subject to Article 182 ,the Directors present may choose' one of themselves to be the Chairman and in default of their doing so, the members present shall choose one of the Directors to be the Chairman and if no Directors present be willing to take the Chair the members present shall choose one of themselves to be the Chairman.</p> <p>(ii) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman or Vice-</p>

		Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.
Chairman with Consent may adjourn the Meeting	106	The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place in the city, town or village where the registered office of the Company is situated.
Business at the Adjourned Meeting	107	No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
Notice of Adjourned Meeting	108	When a meeting is adjourned only for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.
In what Cases Poll taken with or without Adjournment	109	Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith, save as aforesaid, any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

PROXIES

Title of Article	Article Number	Contents
Proxies	110	<p>(a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holder, all holders) shall not appoint more than one person, as proxy. A proxy so appointed shall not have any right to speak at the meeting.</p> <p>Provided that unless where the proxy is appointed by a body corporate a proxy shall not be entitled to vote except on a poll.</p> <p>(b) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.</p> <p>(c) The instrument appointing a proxy, or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty eight) hours before the meeting in order that the appointment may be effective thereat.</p> <p>(d) The instrument appointing a proxy shall:</p> <ol style="list-style-type: none"> (i) Be in writing, and (ii) Be signed by an appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, by under its seal or be signed by an officer or any attorney duly authorised by it. <p>(e) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in usual common form or if such other form as the Directors may approve from time to time.</p> <p>(f) An instrument appointing a proxy, if in any of the forms set out in Schedule IX to the Act shall not be questioned on the ground that it fails to comply with any special requirements specific for such instrument by these Articles.</p> <p>(g) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in</p>

		writing of the intention so to inspect is given to the Company.
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VOTES OF MEMBERS

Title of Article	Article Number	Contents
Restrictions on Exercise of Rights of Members who have not paid Calls etc.	111	(a) No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien. (b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 187B of the Act.
Restriction on Exercise of Voting Right in Other cases to be void it	112	A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified, period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 108.
Equal Rights of Share Holders	113	Any shareholder whose name is entered in the Register of members for the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.
Voting to be by show of Hands in First Instance	114	At any general meeting a resolution put to vote at the meeting shall unless a poll is demanded under Section 179 of the Act be decided on a show of hands. (a) subject to the provisions of the Act, upon show of hands every members entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him. (b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under Sections 187 or 187A of the Act, in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.
Voting rights of members of unsound mind and minors	115	A member of unsound mind or in respect of whom an order has been made any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or anyone of his guardians or, anyone of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
Votes in respect of Shares of Deceased or Insolvent Members etc.	116	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposed to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
Custody of Instrument	117	If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for voting at meeting of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.
Validity of Votes	118	A vote given in accordance with the terms of an instrument of proxy

given by Proxy Notwithstanding Death of Members etc.		shall be valid notwithstanding the previous death 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, revocation or transfer shall have been received at the registered .office of the Company before the meeting.
Time for Objections for Vote	119	No objection shall be made to the validity of any vote except at the meeting or poll may which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purposes or such meeting or poll whatsoever.
Chairman of any Meeting to be the judge of any Vote	120	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 {he validity of every vote tendered at such poll.
Chairman's Declaration of result of Voting by show of Hands to be Conclusive	121	A declaration by the Chairman in pursuance of Section 177 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
Demand for Poll	122	(a) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him or; a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting Power in respect of the resolution or on which an aggregate sum of not less than Fifty Thousand Rupees has been paid up. (b) The demand for a poll may be withdrawn at any time by the person or persons who make the demand.
Demand for Poll not to prevent Transaction of other Business	123	The Demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demand
Time of taking Poll	124	(a) A pull demanded on a question of adjournment shall be taken forthwith. (b) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 175 of the, Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as. the Chairman may direct.
Right of a Member to use his Votes Differently	125	On a poll taken at a meeting of the Company a member or other Person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Scrutinizers at Poll	126	(a) Where a Poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. (b) The Chairman shall have the power, at any time before the result of the poll is declared, to remove a scrutinizer from office and to fill vacancies in the office of scrutinizer arising from such removal or from any other cause. (c) Of the two scrutinizers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.
Manner of taking Poll and Result thereof	127	(a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

		(b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
Casting Vote	128	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or / at which the poll is demanded shall be entitled to a casting vote or votes to which he may be entitled as member.
Representation of Body Corporate	129	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company May in accordance with the provisions of Section 187 of the Act authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.
Representation of the President of India or Governors	130	(a) The President of India or the Governor of State if he is a member of the Company' may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 187 A of the Act or any other statutory provision governing the same. (b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company. (c) The Company shall observe the provisions of Section 187B of the Act in regards to the Public Trustee.
Circulation of Members Resolution	131	The Company shall comply with provisions of Section 188 of the Act, relating to circulation of members resolutions.
Special Notice	132	Where by any provision contained in the Act or in these articles special notice is required for any resolution, notice of the' intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.
Resolution Requiring Special Notice	133	The Company shall comply with provisions of Section 190 of the Act) relating to resolution requiring special notice.
Resolutions Passed At Adjourned Meeting	134	The provisions of Section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares In the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on' any earlier date.
Registration of Resolutions and Agreements	135	The Company shall comply with the provisions of Section 192 of the Act relating to registration of certain resolutions and agreements.
Minutes of Proceedings of General Meeting and of Board and Other Meetings	136	(a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every Meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such

		<p>books shall be dated and signed:</p> <ul style="list-style-type: none"> (i) in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (ii) in the case of minutes of proceeding,: of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose <p>(c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>(e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>(f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <ul style="list-style-type: none"> (i) the names of the Directors present at the meetings, and (ii) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution. <p>(g) Nothing contained in Clause (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <ul style="list-style-type: none"> (i) is, or could reasonably be regarded, as defamatory (ii) is irrelevant or immaterial to the proceedings; or (iii) is detrimental to the interests of the Company. <p>The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusions of any matter in the minutes on the grounds specified in this clause.</p> <p>(h) The minutes of meetings kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p>
Presumptions to be drawn where Minutes duly drawn and Signed	137	<p>Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 193 of the Act then, until the contrary is proved the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.</p>
Inspection of Minute Books of General Meetings	138	<p>(a) The books containing the minutes of the proceedings of any general meeting of the Company shall:</p> <ul style="list-style-type: none"> (i) registered office of the Company, and (ii) be open, during the business hours to the inspection of any member without charge, subject to such reasonable restrictions as the Company may in general meeting impose so however that not less than two hours in each day are allowed for inspection. <p>(b) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in Clause (a) above, on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.</p>
Publication of Reports of Proceedings of General Meetings	139	<p>No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.</p>

MANAGERIAL PERSONNEL

Title of Article	Article Number	Contents
Managerial Personnel	140	The Company shall duly observe the provisions of Section 197 A of the Act regarding Prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.
Number of Directors	141	Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than three and more than twelve. The appointment of the Directors exceeding 12 will be subject to the provisions of Section 259 of the Act.
First Directors	142	The subscribers to the Memorandum and Articles of Association of the Company shall be first Directors of the Company.
Debenture Directors	143	Any Trust Deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person or persons to be a Director or Directors of the Company and may empower such Trustees or holders of Debentures or debenture-stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so appointed under this Article is herein referred to as Debenture Director and the term Debenture Director means the Director for the time being in office under this Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and all such provisions shall effect notwithstanding any of the Provisions herein contained.
Nominee Director	144	Notwithstanding anything to the contrary conjoined in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), the Industrial Credit and Investment Corporation of India Limited (ICICI), Industrial Finance Corporation of India (IFCI) and Life Insurance Corporation of India (LIC) to any other Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any or any other Finance Corporation or any other Financing Company, or Body is hereinafter in this Article referred to as "the corporation") continue to (debentures in the Company as a result of underwriting or by direct subscription private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company, arising out of any guarantee furnished the Corporation on behalf of the Company, remains outstanding, the Corporation shall have a right to appoint from time to any person or persons as a Director or Directors whole time or non-whole time Director or Directors is/are hereinafter referred to as "Nominee Director/s") on Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. At the option of the Corporation such Nominee Director/s shall not be liable to retire by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitle to the same rights and privileges and be subject to the same obligations as any Director of the Company. The Nominee Director/s so appointed shall hold the said office only so

		<p>long as moneys remain owing by the Company to the Corporation or so long the Corporation holds debentures in the Company as a result of a direct subscription or private place or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said so shall ipso facto vacate such office immediately the owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/ shares in the Company or on the satisfaction of the liability of the Company arising of any guarantee furnished by the Corporation. The Nominee Director/s so appointed under this Article shall be entitled to recall notices and attend all General Meetings, Board Meetings and of the Meet of the Committee of which the Nominee Director/s is/are member/s and also the minutes of such meetings. The Corporation shall also be entitled to receive at such notice and minutes. The Company shall pay to the Nominee Director/s sitting fees expenses which the other Directors of the Company are entitled but if any other commission, monies or remuneration in any form is payable to the Directors of Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Director/s in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fee in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>Provided further that if such Nominee Director/s is an officer of the Reserve Bank of India the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly to paid by the Company directly to IDBI</p> <p>Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole time Director, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the lenders.</p>
Special Director	145	<p>(a) In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery be technical advice, the Directors may authorise such Company, Corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or any time thereafter.</p> <p>(b) The Collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and, also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered</p>

		office. (c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Directors as the Collaborators eligible to make the appointment.
Limit on Number of Non-Retiring Directors	146	Subject to the provisions of Section 255 of the Act, the number of Directors appointed under Articles 143, 144 and 145 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.
Appointment of Alternate Director	147	The Board may appoint an alternate Director to act for a Director (hereinafter called the original Directors during his absence for a period of not less than three month from the State in which meetings of the Board are ordinarily held. An alterlative Director so appointed shall not hold office as .such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate if and when the original Director returns to the State in which meetings of the Board are ordinarily held.
Appointment of Additional Director	148	Subject to the- provisions of Section 260 of the Act, the Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total, number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company and shall then be eligible for reappointment.
Appointment of Director to fill the Casual Vacancy	149	Subject to the provisions of Section 262 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
Individual Resolution for Directors Appointment	150	At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has. first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive re- appointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.
Qualification shares	151	A person to become a Director of the Company does not require to hold any Qualification share in the Capital of the Company.
Remuneration of Directors	152	The remuneration of a Director for his service shall be such sum as may be fixed by the Board of Directors subject to a ceiling as may be prescribed by the Central Government from time to time for each meeting of the Board or a Committee thereof attended by him. The Directors subject to the sanction of the Central Government any required) may be paid, such further remuneration as the Company in General Meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors. Iii such proportion and manner as the Board may from time to time determine and in default of such determination shall be divided among the Directors equally. Subject to the provisions of the Act, a Director who is either in the whole time employment of the Company or a Managing Director may be paid remuneration as provided in Sections 198, 309, 310 and 311 of the Act and Schedule XUI of the Act either by way of monthly

		<p>payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other</p> <p>Subject to the provisions of the Act, Director who is neither in the whole time employment of the Company nor a Managing Director may be paid remuneration as provided in Sections 198,309,310 and 311 of the Act and Schedule XIII of the Act either:</p> <p>(I) by way of a monthly, Quarterly or annual payment with the approval of the Central Government, or</p> <p>(II) by way of commission if the Company by special resolution authorised such payment.</p> <p>A Director may receive remuneration by way of a fee for each meeting of the Board or a committee thereof attended by him as prescribed by Central Government.</p>
Extra remuneration to Directors for special work	153	<p>Subject to the provisions of Section 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 Certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.</p>
Travelling expenses incurred by Directors on Company's business	154	<p>The Board of Directors may, subject to the limitations provided by the Act, allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence for the purpose of attending a meeting such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fees for attending such meeting as above specified.</p>
Increase in Remuneration of Directors to require Government Sanction	155	<p>Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Company or in any resolutions passed by the Company in General Meeting or by the Board of Directors shall be subject to the provisions of Section 198, 269, 310 and 311 of the Act and in accordance with the conditions specified in paragraphs I and II of Schedule XIII and subject to the provisions of Part III of that Schedule and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule XIII, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not endorsable against the Company. Director Not to Act when Number Falls Below Minimum</p>
	156	<p>When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence if the necessary' quorum</p>
Eligibility	157	<p>A person shall not be capable of being appointed a Director if he .has the disqualifications referred to in Section 274 of the Act</p>
Directors Vacating Office	158	<p>(a) The office of a Director shall vacate if :</p> <p>(i) He is found to be of unsound mind by a Court of competent jurisdiction;</p>

		<p>this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.</p> <p>(d) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the company shall unless the representations are received by it too late for it do so.</p> <ul style="list-style-type: none"> (i) In the notice of the resolution given to members of the company state the fact of representations having been made, and (ii) send a copy of the representation to every member of the company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court. <p>(e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board pursuant of Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office (if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 262 of the Act and all the provisions of that Section, shall apply accordingly: Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(g) Nothing contained in this Article shall be taken</p> <ul style="list-style-type: none"> (i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director or (ii) as derogating from any power to remove a Director which may exist apart from this Article
Directors may Contract With Company	160	<p>Subject to the restrictions imposed by these Articles and by Sections 292, 293, 294, 295, 297, 300, 311, 370 and 373 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, Managing Director, joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall the Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the</p>

		relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with the provisions of Section 299 of the Act where that section be applicable.
Disclosure of Directors Interest	161	<p>(1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company; shall disclose the nature of his concern of interest at a meeting of the Board of Directors; in the manner provided in Section 299 (2) of the Act.</p> <p>(2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested,</p> <p>b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the board held after the Director becomes concerned or interested in the contract or arrangement,</p> <p>(3) a) For the purpose of clauses (1) and (2) a general notice given to the Board by a Director to the effect that he is a Director or a member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notices, entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to and contract or arrangement so made.</p> <p>(b) Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further period of one financial year at a time by a fresh notice given in the last month of financial year ill which it would otherwise expire.</p> <p>(c) No such general notice and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.</p> <p>d) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where anyone or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.</p>
Board Resolution necessary for Certain Contracts	162	<p>(1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is a partner- any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company</p> <p>(a) For the sale, purchase or supply of any goods, materials or services; or</p> <p>(b) For underwriting the subscription of any share in or debentures of the Company,</p> <p>(2) Nothing contained in sub-clause (a) of clause (1) shall affect –</p> <p>(a) the purchase of goods and materials from the Company or the sale of goods and materials to the Company by any Director, relative, firm, partner or private any as aforesaid for cash at prevailing market prices; or</p> <p>(3) Notwithstanding anything contained in clauses (1) and (2) a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity enter without obtaining t e consent of the Board, into any contract with the Company for the sale, purchase of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the</p>

		<p>aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into.</p> <p>(4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.</p> <p>(5) If the consent is not accorded to any contract under this Article anything done. in pursuance of the contract will be avoidable at the option the Board.</p> <p>Disclosures to the Members of Directors Interest in Contract in Appointing...Manager Managing Director or Secretaries and Treasurers</p>
	163	<p>If the Company –</p> <p>(a) enters into a contract for the appointment of a Manager or Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>
Holding of Office of Profit by Directors etc	164	<p>(1) except with the consent of the Company accorded by a special resolution:</p> <p>(a) No Director of the Company shall hold any office or place of profit; and</p> <p>(b) No partner or relative of such a Director, no firm in which such a Director or relative of such Director is partner, no private. company of which such a Director is a Director or member, and no Director or manager of such a private company shall hold any office or place of profit, carrying a total monthly remuneration of such sum as may be prescribed, except that of Managing Director or Manager, banker or trustee for the holders of debentures of the Company:</p> <p>(i) Under the Company; or</p> <p>(ii) Under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company PROVIDED that it shall be sufficient if the special resolution according consent of the Company, is passed at the general meeting of the Company held for the first time after the holding of such office or place of profit</p> <p>For the purpose of this clause a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and every subsequent appointment in the first stance to an office or place of profit on a higher remuneration not covered by the special resolution except where an appointment on a time scale has already been approved by the special resolution;</p> <p>(2) Nothing in Clause (1) hereof shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such Director becomes a Director of the Company,</p> <p>(3) If any office or place or profit is held in contravention of the provisions of sub- clause (1), above or except as provided by clause</p>

		<p>(2) above, the Director, partner, relative, firm, private company or manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso to clause (1) above or, as the case may be, the date of expiry of the period of three months referred to in the Second proviso to clause (1) above, and shall also liable J to refund to the Company remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit,</p> <p>(4) Every individual, firm, private company, or other body corporate proposed to be appointed to any office or place of profit to which this article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with the Director of the Company in any of the ways referred to in clause (1),</p> <p>(5) Any office or place shall be deemed to be an office or place of profit under the Company within the meaning of Clause (1)</p> <p>(a) in case the office or place is held by a Director, if the director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise</p> <p>(b) In case the office or place is held by an individual other than Director of by any firm, private company or other body corporate if the individual firm, private company or body corporate holding it obtains from the Company anything by way of remuneration whether as salary, fees, commission,. Perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.</p> <p>(6) Notwithstanding anything contained in sub-cause (1)</p> <p>(a) No partner or relative of Director or Manager;</p> <p>(b) No firm in which such Director or Manager or relative of either is a Partner;</p> <p>(c) No Private Company of which such a Director or Manager or relative of either is a Director or member shall hold any office or place of profit in the Company which carries a total monthly remuneration of not less than such sum as may be prescribed except with the prior consent of the Company by a Special Resolution and the approval of the Central Government Loans to Director etc.</p>
	165	<p>The Company shall not without obtaining the previous approval of the Central Government in that behalf, directly or indirectly make any loan to or give any guarantee or provide any security in connection with loan made by any other person to, or any other person by-</p> <p>(a) any Director of the Company or any partner or relative of any such Director;</p> <p>(b) any firm in which any such Director or relative is a partner;</p> <p>(c) any private company of which any such Director is a Director or member;</p> <p>(d) any body corporate at a general meeting of which not less than twenty-five percent of the total voting power may be exercised or controlled by any such Director, or by two or more such Directors together; or</p> <p>(e) any body corporate, the Board of Directors, Managing Director or Manager whereof, is accustomed to act in</p>

		accordance with the directions or instruction of the Board, or of any Director or Directors of the Company Loans to Companies
	166	The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the Companies or bodies corporate under the management as provided in Section 370 of the Act. Interested Director not to Participate or Vote in Board's Proceedings
	167	<p>No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote it shall be void; PROVIDED that the Board of Directors or any of its number may vote on any contract of indemnity against any loss which it or anyone of or more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company or a private: Company which is a subsidiary of a public Company in which the interest of the Director aforesaid consists solely-</p> <ul style="list-style-type: none"> (i) in his being a Director of such Company and the holder of not more than shares of such number or value therein as is requisite to qualify him for the appointment as a Director thereof, he having been nominated as such Director by the Company. (ii) in his being a member holding not more than two per cent of its paid up share capital. <p>This Article is subject to the provisions of sub-section (2) of Section 300 of the Act.</p>
Register of Contracts in which Directors are Interested	168	<ul style="list-style-type: none"> (i) The Company shall keep one or more Registers in which it shall be entered separately particulars of all contracts and arrangements to which Sections 297 and 299 of the Act applies including the following particulars to the extent they are applicable in each case, namely: <ul style="list-style-type: none"> (a) the date of the contract or arrangement; (b) the names of the parties thereto; (c) the principal terms and conditions thereof; (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies the date on which it was placed before the Board; (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral. (ii) Particulars of every such contract or arrangement to which Section 297 of the Act or as the case may be sub-section (2) of Section 299 applies shall be entered in the relevant register aforesaid- <ul style="list-style-type: none"> (a) in the case of a contract or arrangement requiring the Board's approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved; (b) in the case of any other contract or arrangement within seven days of the receipt at the Registered Office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of Such other contractor arrangement whichever is later, and the Register shall be placed before the next meeting of the Board and shall then be signed by

		<p>all the Directors present at the meeting.</p> <p>(c) the register shall be kept at the registered office of the Company, and it shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.</p> <p>(iii) The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.</p> <p>(iv) Nothing in Clauses (i), (ii) and (iii) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed rupees one thousand in the aggregate in any year.</p>
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ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number	Contents
Director may be Director of Companies Promoted by the Company	169	<p>A Director may be or become a Director of any Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309(6) or Section 314 of the Act may be applicable.</p> <p>Not less than two thirds of the total number of Directors shall:</p> <p>(a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and</p> <p>(b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.</p> <p>The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.</p>
Directors Retiring by Rotation and Filling up Vacancy	170	<p>(a) At every annual general meeting one-third of such directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearer to one-third, shall retire from office.</p> <p>The Debenture Directors, Corporation Directors, Special Director and subject to Article 146 Chairman, Managing Director or whole time Director if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p> <p>(b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. A Retiring Director shall be eligible for re-election:</p> <p>(c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.</p> <p>(d) (i) If the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the</p>

		<p>next succeeding day which is not a public holiday, at the same time and place.</p> <p>(ii) If at the adjourned meeting also, the place of the retiring Director is not filled up and that the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-</p> <ol style="list-style-type: none"> (1) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; (2) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed; (3) he is not qualified or is disqualified for appointment (4) a resolution, whether special or ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act or <p>(e) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.</p>
Right of Persons Other than Retiring Directors to Stand for Directorship	171	<p>(a) A person who is not a retiring Director shall in accordance with Section 257 of the Act and subject to the provisions of the Act, be eligible for appointment to the office of Director at any general meeting the or some member or members intending to propose him has, not less than fourteen days before the meeting left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member or members to propose him as a candidate for that office, as the case may be along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time, which shall be refunded to such person or as the case may be to such member, if the person succeeds in getting elected as the director.</p> <p>(b) The Company shall inform its members of the candidature of a person for the office of director or the intention of a member(s) to propose a person as a candidate for that official by serving individual notices on the members not less than seven days before the meeting in the manner provided under Section 257 of the Act.</p>
Consent of Candidates for Directorship to be Filed with the Registrar	172	Every person who is proposed as a candidate for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as Director, if appointed, in accordance with the provisions of Section 264 of the Act in so far as they may be applicable.
Company may Increase or Reduce the Number of Directors or Remove any Director	173	Subject to the provisions of Sections 252, 255 and 259 of the Act, and these articles the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.
Appointment of Directors to be voted individually	174	<p>(1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made, has been first agreed to by the meeting without any vote being given against it.</p> <p>(2) A resolution moved' in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided that for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided shall apply.</p> <p>(3) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for, appointment</p>

		shall be treated as a motion for his appointment.
Notice of Candidature for Office of Directors except in Certain Cases	175	<p>(1) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at, least fourteen days before the meeting, left at the office of the Company a notice ,in writing under his hand signifying his candidature for the office of a Director or, the intention of such member to propose him as a Director for office as the case may be along with a deposit of five hundred Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.</p> <p>(2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting. Provided that it shall, not be necessary for the Company to serve individual notices on the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Register Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.</p> <p>(3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.</p> <p>(4) A person, other than –</p> <ol style="list-style-type: none"> a Director, re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director
Register of Directors and Notification of Change to Registrar	176	<p>(1) The Company shall keep at its Registered Office a Register containing the particulars of its Directors and other persons mentioned in Section 303 of the Act and', shall send to the Registrar a Return containing the particulars specified in such Register and shall otherwise comply with the provisions of the said Section in all respects,</p> <p>(2) The Company shall keep at its Registered Office a Register showing as respects each Director of the Company the number, description, and amount of any shares in or debentures of the company or any other body corporate being the company's subsidiary or holding company or a subsidiary of the company's holding company which are held by him or in trust for him or of which he has any right to become the holder whether on payment or not, as required by Section 307 of the .Act Such Register shall be kept open for inspection by any member or debenture holder of the company as required by section 307 (5) of the Act.</p>
Disclosure by Director of Appointment to any other Body Corporate	177	Every Director (including a person deemed to be a Director of the Company by virtue of the explanation to Sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be relinquishment of such office dispose to the company

		the particulars relating to the office in the other body corporate which are required to be specified under-sub-section (1) of Section 303 of the Act.
Disclosure by Directors of their Holdings of Shares and Debentures, of the Company	178	Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

PROCEEDINGS OF DIRECTORS

Title of Article	Article Number	Contents
Meeting of Directors	179	The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least once in every three months and atleast four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions, of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.
When Meeting to be Convened	180	Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
Directors Entitled to Notice	181	Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India. Notice may be given by telegram/cable/telex to any Director who is not in the State of Gujarat.
Appointment of Chairman	182	The Directors may from time to time elect from among themselves a chairman of the Board and determine the period for which he is to hold office. If at any Meeting of the Board, the chairman is not present within fifteen minutes after the time appointment for holding the same the Directors present may choose one of their members to be chairman of the meeting.
Quorum at Board Meeting	183	Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength excluding Directors if any; whose places may be vacant at the time and any, traction contained in that one-third being rounded off as one, or two Directors, whichever is higher PROVIDED THAT WHERE AT ANY TIME THE NUMBER OF INTERESTED Directors exceeds or is equal to two-thirds of the total strength of the number of remaining Director that is to say, the number of Directors who are not interested present at the meeting being not less than two, shall be the quorum during such time,
Appointment of Managing Director/Whole-time Director	184	(a) Subject to the provisions of Sections 267,268,269,309,310 311, 316, 317 and other applicable provisions, if any, of the Act and these Articles the Board of Directors may from time to time appoint one or more Director or Directors to be Managing Director/s or Whole time Director/s of the Company for a fixed term not exceeding five years at a time or for such period as may be prescribed by the Act or the Central Government from time to time upon such terms and conditions as the Board thinks fit for which he or, they is or ,fire to hold such office and may from time to time remove or dismiss him or them from the office and appoint another or others in his or their place or places (b) Any Managing Director or whole time Director/s so appointed

		<p>shall not be required to hold any qualification shares and shall not be liable to retire by rotation at any General Meeting of the Company.</p> <p>(c) Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act and also subject to the limitations, conditions and provisions, of Schedule XIII to the Act, the appointment and payment of remuneration to the above Director/ s shall be subject to approval of the members in general meeting and of the Central Government if required,</p> <p>(d) Subject to the superintendence, control and direction of the Board the day to day management of, the Company shall be vested with the Managing Director/s or Whole-time Director/s Managing Director/s if any, with Power to the Board to distribute such day to day management functions in any manner as deemed fit by the Board subject to the provisions of the Act and these Article5.</p>
Meeting of Committee, How to be Governed	185	The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors.
Resolution by Circular	186	No Resolution by circular shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless such Resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee at the respective .addresses registered with the Company and has been approved by the majority of the Director's or Members of the Committee or by a majority of them as are entitled to vote on the Resolution
Directors May Appoint Committees	187	Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time, be imposed or it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.
Limit of Directors Numbers	188	Subject to the provisions of Sections 252, 255 and 259 of the Act, the Company in general meeting may, by ordinary resolution, increase or reduce the ;number of Directors within the limits fixed in this behalf by the Articles
Acts of Board or Committee Valid Notwithstanding Defect of Appointment	189	All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or their his appointment had terminated by virtue of any provisions contained in the Article or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

BORROWING POWERS

Title of Article	Article Number	Contents
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Power to borrow	190	Subject to the provisions of Sections 292 and 293 of the Act the Board of Directors may from time to time at their discretion and by means of resolutions passed at their meetings accept deposits from members either in advanced of calls or otherwise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.
Conditions on which money may be borrowed	191	The Directors may raise or secure the payment of such sum or sums in such manner .and upon such terms and conditions in all respects as they think fit, in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. The Directors shall exercise such power only by means of resolutions passed at their meetings and not by circular resolutions.
Securities may be assignable free from equities	192	Debentures, Debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Debenture	193	Debentures debenture-stock bonds nr 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 special privileges as to redemption, surrender, drawings, allotments of shares, attending (but not voting) at General Meetings of the Company appointment of Directors and otherwise. Provided however that Debentures/Bonds with the right to allotment or conversion into Shares shall not be issued without the sanction of the Company in General Meeting and/or the Government as the case may be.
Mortgage of uncalled capital	194	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors may, by instrument under the Company's Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls, shall mutatis mutandis, apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors powers or otherwise and shall be assignable if expressed so to be.

POWER OF DIRECTORS

Title of Article	Article Number	Contents
Certain Powers to be Exercised by the Board	195	<p>(a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board –</p> <ul style="list-style-type: none"> (i) The power to make calls on shareholders in respect of money unpaid on their shares (ii) The power to issue debenture; (iii) The power to borrow moneys otherwise than on debentures; (iv) The power to invest in the funds of the Company, and (v) The power to make loans <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the</p>

		<p>case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iii), (iv) and (v) to the extent specified in clauses (b), (c) and (d) respectively on such conditions as the Board may prescribe.</p> <p>(b) Every resolution delegating the power referred to in sub-clause (iii) of clause (a) shall specify the total amount outstanding at anyone time up to which moneys may be borrowed by the delegate.</p> <p>(c) Every resolution delegating the power referred to in sub-clause (iv) of clause (a) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>(d) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount up to which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual case.</p> <p>(e) Nothing in this article contained shall be deemed to affect the right of the Company in general ,meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i), (ii), (iii), (iv) and (v) of clause (a) above.</p>
Restriction on Powers of Board	196	<p>(a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting</p> <ul style="list-style-type: none"> (i) Sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole -of any such undertaking; (ii) Remit, or give time for the repayment of any debt, due by Director (iii) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (i) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (iv) borrow moneys, where the money to be borrowed, together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes; or (v) contribute to charitable and other funds not d1rectly relating to the business of the Company or the welfare of its employees any amount; the aggregate of which in any financial year, exceed fifty thousand rupees or five percent 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. <p>(b) Nothing contained in sub-clause (i) of clause (a) above shall affect:</p> <ul style="list-style-type: none"> (i) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due

		<p>care and caution, or</p> <p>(ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>(c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may as specified in the resolution, including conditions regarding the use disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained. in that behalf in the Act.</p> <p>(d) No debt incurred by the Company in exercise of the limit imposed by sub-clause (iv) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p> <p>(e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) of Section t293 of the Act and in regard to the limitations on the power of the Company contained in Section 293 A of the Act.</p>
General Powers of the Company Vested in Directors	197	<p>Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other act and of the Memorandum of Association and these articles and to any regulations, not being inconsistent with the Memorandum of Association and these articles or the act from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.</p>
Specific Powers Given to Directors	198	<p>Without prejudice to the general powers conferred by Article 192 and ,the other powers conferred by these presents and so as not in any way to limit any; or all of these powers, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>To Pay Registration Expenses</p> <p>(i) To pay the costs, charges and expenses preliminary and indented to the promotion, formation establishment and registration of the Company;</p> <p>(ii) To pay and charge to the capital account of the Company any interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act-</p> <p>To Acquire Property</p> <p>(iii) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this company is authorized to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or acquisition to accept such of as the Board may believe or may be advised to be</p>

		<p>reasonably satisfactory.</p> <p>To purchase lands, buildings, etc.</p> <p>(iv) Subject to the provisions of the Act to purchase, or take on lease for any if term or terms of years, or otherwise acquire any mills or factories or any land or lands with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>To Construct Buildings</p> <p>(v) To effect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company.</p> <p>To Mortgage, Change Property</p> <p>(vi) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 293 of the Act, any property of the Company either absolutely or conditionally .and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit</p> <p>To pay for property etc.</p> <p>(vii) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture-stock or other securities of the Company, deed any such shares stock of other securities of. the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>To Insure</p> <p>(viii) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other 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>To Open Accounts</p> <p>(ix) Subject to Section 292 of the Act, to open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from</p>
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		<p>any account from time to time as the Directors may think fit;</p> <p>To Seller Contracts</p> <p>(x) To secure the fulfillment of any contracts of engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>To Attach to Shares such Conditions:</p> <p>(xi) To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof they may think fit;</p> <p>To Accept, Surrender, of Shares</p> <p>(Xii) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>To Appoint Attorney</p> <p>(xiii) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>To Bring and Defend Actions</p> <p>(xiv) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 293 of the Act to compound and allow time for payment'. or' satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>To Refer to Arbitration</p> <p>(xv) To refer, subject to the provisions of Section 293 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;</p> <p>To act on Insolvency matters</p> <p>(xvi) To act on behalf of the Company in all matters relating to bankrupts and Insolvents;</p> <p>To Give Receipts</p> <p>(xvii) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 293 of the Act;</p> <p>To Authorise Acceptances</p> <p>(xviii) To determine from time to time as to who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, dividend interest warrants,</p>
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		<p>release, contracts and documents on the Company's behalf</p> <p>To Invest Moneys</p> <p>(xix) Subject to the provisions Of Sections 292,293, 370 and 372 of the Act, to invest and deal with any of the money of the Company, not immediately required for the purpose thereof, upon such shares, securities, or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments</p> <p>To Provide for Personal liabilities</p> <p>(xx) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on</p> <p>To Give to Directors etc. An Interest in Business</p> <p>(xxi) Subject to such sanction as may be necessary under the Act or the articles, to give to any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>To Provide for Welfare of Employees</p> <p>(xxii) To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing. or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>To Subscribe to Charitable and Other Funds</p> <p>(xxiii) To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, object or purposes for any exhibition;</p> <p>To Maintain Pension Funds</p> <p>(xxiv) To establish and maintain or procure the establishment and maintenance of any contributory. or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any</p>
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		<p>Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such Subsidiary Company, or who are or were at any time Directors officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidies and subscribe to any institutions, associations, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid</p> <p>(xxv) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>To Create Reserve Fund</p> <p>(xxvi) Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund .or Reserve Fund or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares, debentures, or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed) Section 292 and 293 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they may expend the same or any part thereof may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture- stock and that with9ut being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.</p> <p>To Appoint Officers etc.</p> <p>(xxvii) The Board shall have specific power to appoint officers,</p>
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		<p>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 that the appointment of a person on a post carrying a salary of Rs. 6,000/- per month or above or a pay scale the maximum of which is Rs. 6,000/- per month or above shall be made only by means of resolution passed at a Board Meeting.</p> <p>To Authorise by Power of Attorney</p> <p>(xxviii) At any time and from time to time by power of attorney, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees, or managers' of any company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them.</p> <p>To Authorise, Delegate</p> <p>(xxix) Subject to the provisions of the Act, generally and from time to time and at any time to authorise empower or delegate to (with or without powers of sub-delegation) any Director, Officer or Officers or Employee for the time being of the Company and/or any other person, firm or Company all or any of the powers authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.</p> <p>To Negotiate</p> <p>(xxx) To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p>(xxxi) From time to time to make vary any legal bye-laws for the regulations of the business of the Company, its officers and servants.</p>
Secretary	199	Subject to the provisions of Section 383 A of the Act, the Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called the Secretary') who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be

		performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.
Seal	200	<p>(i) The Board of Directors shall provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.</p> <p>(ii) The Seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors or of a Committee of the Board of Directors authorised by it in that behalf and in the presence of at least one Director and the Secretary or a person authorised for the purpose if there is no Secretary for the time being.</p> <p>Provided however that the certificates of shares shall be signed in the same manner as the certificates of the shares are required to be signed in conformity with the provisions of Companies (Issue of Share Certificates) Rules 1960 and their statutory modifications for the time being in force.</p>
Interest may be paid out of Capital	201	Where any shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any work for or building or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period and at the rate and subject to the conditions and restrictions provided by section 8 of the Act, and charge the same to capital as part of the cost of construction of the work or building, of the provisions of the plant.
Dividends Out of Profits Only	202	<p>(i) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of moneys provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf: PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company proposes to decide but of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf, and whether any such declaration is not in accordance with such rules, such declaration shall not be made except with the previous approval of the Central Government.</p> <p>(ii) The depreciation shall be provided either</p> <ul style="list-style-type: none"> (a) to the extent specified in Section 350 of the Act; or (b) in respect of each item of a depreciable asset, for such an amount as is arrived at by dividing 95 per cent of the original cost thereof to the company by the specified period in respect of such asset; or (c) on any other basis approved by the Central

		<p>Government which has the effect of writing off by way of depreciation 95 per cent of the original cost of the company of its such depreciable asset on ,the expiry of the specified period;or</p> <p>(d) as regards any other depreciable assets for which no rate of depreciation has been laid down by the Act or any rules made there under on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by any special order in the case of the company</p> <p>Provided that where depreciation is provided for in the manner laid down in Clause (b) or Clause (c), then in the event of the depreciated assets being sold, discarded, demolished or destroyed, the written down value thereof at the end of the financial year in which the assets is sold, discarded, demolished or destroyed shall be written off in accordance with the proviso to Section 350 of the Act.</p> <p>(iii) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization 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.</p> <p>(iv) Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.</p> <p>(v) For the purpose of this Articles Specified period in respect of any depreciable asset shall mean the number of years at the end of which at least 95 per cent of the original cost of that asset to the Company will have been provided for by way of depreciation, if depreciation were to be calculated in accordance with the provisions of Section 350 of the Act.</p>
Interim Dividend	203	The Board of Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
Debts May Be Deducted	204	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.
Capital paid up in advance and Interest not to earn Dividend	205	share 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 divided or to participate in profits.
Dividends in Proportion to Amount Paid-Up	206	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any por1ion or portions of the period in respect of which the: dividend is paid but if any share is issued in terms providing that it shall rank for dividends as from a particular date such share shall rank or dividend accordingly.
Right to Dividend, Right Shares and Bonus Shares to be held in Abeyance Pending Registration of Transfer of Shares	207	<p>Where any instrument of transfer of shares has been delivered to any company for registration and the transfer of such shares has not been registered by the Company, it shall, notwithstanding anything contained in any other provision of this Act, shall</p> <p>(a) transfer the dividend. in relation to such shares to the special account referred to in Section 205-A unless the company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and</p> <p>(b) keep in abeyance in relations to such shares any offer of rights shares under (c) clause (a) of sub-section (1)</p>

		of Section 81 and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205.
No Member to receive Dividend whilst Indebted to the Company and the Company's Right of Reimbursement Thereof	208	No member shall be entitled to receive payment of any interest or dividend or bonus. in respect of his share or shares, while 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 payable to any member all such sums of money so due from him to the Company.
Effect of Transfer of Shares	209	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
Dividends How Remitted	210	The dividend payable in cash may be paid by cheque or warrant sent through post direct to the 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 which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.
Notice of Dividend	211	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.
Unpaid Dividend or Dividend Warrant Posted	212	(a) Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period or 42 days, open a special " Amrapali Capital And Finance Service Limited " and transfer .to the said Account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted. (b) Any money transferred to the unpaid dividend company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to tile Central Government by the shareholder to whom the money is due.
	213	No unclaimed dividend shall be forfeited by the Board
Dividend and call together	214	Any General Meeting declaring as dividend may on the recommendations 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 riot 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 members be set off against the calls.

CAPITALISATION

Title of Article	Article Number	Contents
	215	(a) Any general meeting may resolve that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming art of the undivided profits (including profits or surplus moneys arising from the realisation and where permitted by law,

		<p>from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the Share Premium Account and/or the Capital redemption Reserve Account) may be capitalized</p> <p>(i) by the issue and distribution as fully paid shares, debentures, debenture-stock bonds or obligations of the Company, or</p> <p>(ii) by crediting the shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.</p> <p>Provided that any amounts standing to the credit of the Share Premium Account may be applied in;</p> <p>(1) paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;</p> <p>(2) in writing off the preliminary expenses of the Company;</p> <p>(3) in writing off the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company; or.</p> <p>(4) in providing for the premium payable on the redemption of any redeemable preference share or of any debentures of the Company, provided further that any amount standing to the credit of the Capital Redemption Reserve Account shall be applied only in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares.</p> <p>(b) Such issue and distribution under Sub-clause (a)(i) above and such payment to the credit of unpaid share capital sub-clause (a)(ii) above shall be made to, among and in favour of the members of any class of them or any of them entitled and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares hold by them respectably in respect of which such distribution under sub-clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital.</p> <p>(c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause above provided that no such distribution or payment shall be made unless recommended by Directors and , if so recommended such distribution and payment shall be accepted by such member as aforesaid in full satisfaction of their interest in the said capitalized sum.</p> <p>(d) For the. Purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as a aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific sets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture-stock, bonds or other obligations in trustee upon such trusts for the persons entitled thereto as may deem expedient to the Directors and generally may</p>
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		<p>make such arrangement for the acceptance allotment and sale of such shares, debenture, debenture-stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit</p> <p>(e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly Paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and in respect of the partly paid shares the sums so applied in the extinguishment or diminution of the liability on the partly paid shares shall be so applied prorata in proportion to the amount then already paid or credited as paid on the existing fully paid and party paid shares respectively.</p> <p>(f) When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as at or said and such appointment shall be effective.</p>
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ACCOUNTS

Title of Article	Article Number	Contents
Accounts	216	The provisions of Sections 209 to 222 of the Act shall be complied with in so far as the same be applicable to the Company.
Books of Accounts to be kept	217	<p>(a) The Company shall keep at its Registered Office proper books of accounts as required by Section 209 of the Act with respect to :</p> <ul style="list-style-type: none"> (i) All sales of money received and expected by the Company and the matters in respect of which the receipt and expenditure take place; (ii) All sales and purchases of goods by the Company; and (iii) The assets and liabilities of the Company; <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarized returns made up to date at intervals of not more than three months, shall be sent by the branch office to the Company at its-Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.</p> <p>(c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be with respect to the matters aforesaid and explain the transactions.</p> <p>(d) The books of account shall be open to inspection by any Director during business hours as provided by Section 209 of the Act.</p> <p>(e) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.</p>
Inspection by Members	218	The Directors shall from time to time determine whether and to what extent and at what times and places and under what

		conditions or regulations the accounts, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in general meeting.
Statement of Accounts to be furnished to General Meeting	219	The Board of Directors shall lay before each annual general meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date, which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.
Balance Sheet and Profit and loss Account	220	<p>(a) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit. There shall be annexed to every Balance Sheet a statement showing the bodies corporate (including separately the bodies corporate in the, same group) in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.</p> <p>(b) So long as the Company is a holding Company having a subsidiary Company shall conform to Section 212 and other applicable provisions of the Act.</p> <p>(c) If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary Collars of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.</p>
Authentication of Balance Sheet and Profit and loss Account	221	<p>(a) (i) Save as provided by Item (ii) this sub-clause every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board .of Directors by the Manager or Secretary, if any and by not less than two Directors of the Company, one of whom shall be a Managing Director, if any.</p> <p>(ii) When only one of the Directors of the Company is for the time being in India, the Balance Sheet and the Profit and Loss Account shall be signed by such Director, but in such a case, there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non compliance with the provisions of the above item.</p> <p>(b) The Balance Sheet and the Profit and Loss Account, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon.</p>
Profit and loss Account to be Annexed and Auditors' Report to be attached to the Balance Sheet	222	The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.
Board's Report to be Attached to Balance Sheet	223	(a) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs; the amounts if any which it proposes to carry to any reserves in such Balance Sheet, the amount, if any, which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the

		<p>Balance Sheet relates and the date of the Report and the conservation energy, technology absorption, foreign exchange earnings and out-go in such manner as may be prescribed.</p> <p>(b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its member and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company or Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest.</p> <p>(c) The Board shall also give the fullest information and explanations in its Report or in cases falling under the proviso to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>(d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of sub-clauses (a) and (b) of Article 209.</p> <p>(e) The Boards shall have the right to charge any person not being a Director with the duty, of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with.</p> <p>(f) Every Balance sheet and Profit and Loss Account of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions- of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.</p>
Right of Members to copies of Balance Sheet and Auditor's report:	224	<p>A copy of every balance sheet including the profit and loss account and ,the auditor's report and every other document required by law to be annexed or attached, as the case may be, to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before' the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as may be permitted by Section 219 of. the Act and as the Company may deem fit, will be sent to every member of the company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the date of the meeting as laid down in Section 219 of the Act Provided that it shall not be necessary to send copies of the documents aforesaid to</p> <p>(a) to a member or holder of the debentures of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the company is unaware</p> <p>(b) to more than. one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.</p>
Three Copies of Balance Sheet etc. to be filed with Registrar	225	<p>After the Balance sheet and Profit and Loss Account have been laid before the Company at the annual general meeting, three copies of the Balance Sheet and Profit and Loss Account duly signed as provided under Section 220 of the Act together with three copies of all documents which are required to be annexed thereto shall be</p>

		filed with the Registrar, so far as the same be applicable to the Company.
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AUDIT

Title of Article	Article Number	Contents
Accounts to be audited	226	Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned
Appointment of Auditors	227	<p>(1) The Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 229 and 23.1 of the Act.</p> <p>(2) The Company shall at each annual general meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusions of the next annual general meeting and shall within seven days of appointment give intimation thereof to the Auditors so appointed unless he is retiring Auditor.</p> <p>(3) At any annual general meeting a Retiring Auditor, by whatever authority appointed shall be reappointed unless</p> <ul style="list-style-type: none"> (a) he is not qualified for re-appointment (b) he has given the Company notice in writing of unwillingness to be re-appointed (c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed or (d) where notice has been given of an intended resolution to appoint some persons or person in the place of a retiring Auditor, and by reason of death, incapacity or disqualification of that person or of all those persons as the case may be, the Resolution cannot be proceeded with <p>(4) where at annual general meeting no Auditors are appointed or reappointed the Central Government may appoint a person to fill the vacancy</p> <p>(5) The Company shall, within seven days of the Central Government's power under the sub-clause (4) becoming exercisable give notice of that fact to that Government.</p> <p>(6) The Directors may fill any casual vacancy in the office of the Auditor, but while any such vacancy continues, the serving or continuing Auditor or Auditors (if any) may act but here such vacancy caused by resignation of an Auditor the vacancy shall only be filled by the Company in general meeting.</p> <p>(7) A person other than a retiring Auditor, shall not be capable of being appointed at an annual general meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with. Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof to the members in accordance with Section 1225 of the Act. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be reappointed.</p>
Audit of Branch Office	228	The Company shall comply with the provisions of Section 228 of the in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government on that behalf.
Auditors to have access to the Books of the	229	(a) The Auditor/s of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company

Company		<p>such information and explanation as may be necessary for the performance of the duties of the Auditor/s.</p> <p>(b) All notice of and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company; and the Auditor/s shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part or the business which concerns him as Auditor.</p> <p>(c) The Auditors shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss account, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid down before The Company in annual general meeting during his tenure of office, and the, Report shall state whether, in his opinion and to the best of his information and according to the explanation given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view:</p> <ul style="list-style-type: none"> (i) in the case of the Balance Sheet of the state of the Company affairs as at the end of its financial year; and (ii) in the case of the Profit and Loss Account, of the Profit or Loss for its Financial year. <p>(d) The Auditor's Report shall also state-</p> <ul style="list-style-type: none"> (i) Whether he has obtained all the information and explanations which to the best of his, knowledge and belief were necessary for the purpose of his audit; (ii) Whether, in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those 'books and proper returns adequate for the purpose' of his audit have been received from branches not visited by him iii) whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's auditor has been forwarded to him as required by clause (c) sub-section (3) of the Section and how he has dealt with the same in preparing the Auditor's Report; (iv) whether the Company's Balance Sheet and Profit and Loss Account dealt with 'by the report are in agreement with the books of accounts and returns. <p>(e) Whether any of the matters referred to in the Article is answered in the negative or with a qualification the Auditor's Report shall state the reasons 'for the answer.</p>
Accounts When Audited and Approved to be Conclusive	230	Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three month next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected and thenceforth shall be conclusive
Authentication of Documents and Proceedings	231	Save as otherwise expressly provided in the Act or these Articles, document or proceeding requiring authentication by the Company may be signed by a Director or an authorised officer of the Company and need not be under its seal.

DOCUMENTS AND NOTICES

Title of Article	Article Number	Contents
Service of	232	(i) A document or notice may be served by the Company on any

<p>Documents on Members by the Company</p>		<p>member thereof either personally or by sending it by post to him at his registered address or if he has no registered address in India, to the address if any, within India, supplied by him to the Company for serving documents or notices to him.</p> <p>(ii) Where a document or notice is sent by post.</p> <p>(a) Service thereof shall be deemed to be effected by properly addressing, pre- paying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgements due and has deposited with the Company a sum of sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be affected unless it is sent in the manner intimated by the members; and</p> <p>(b) Such service shall be deemed to have been affected:</p> <p>(i) in the case of a notice of meeting at the expiration of forty eight hours after the letter containing the same is posted; and</p> <p>ii) in any ,other case, at the time at which the letter would be delivered in the ordinary course of post.</p> <p>(iii) A document or notice advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on the day on which advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.</p> <p>(iv) A document or notice may be served by the Company on the joint holders of a share by serving it to the joint holder named first in the Register in respect of the share.</p> <p>(v) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter, addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document Of notice in any manner in which it might have been served if the death or insolvency had not occurred.</p> <p>(vi) The signature to any document or notice to be given by the Company may be written or printed or lithographed.</p>
<p>To Whom Documents must be Served or Given</p>	<p>233</p>	<p>Document of notice of every general meeting shall be served or given in the same manner herein before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member r and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of</p>

		the Company under Article 100, a statement of material facts, referred to in Article 101 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.
Members Bound by Documents or Notice Served on or Given to Previous Holders	234	Every person, who "by operation of law, transfer or other means whatsoever, has become entitled to share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derived his title to such share.
Service of Documents on Company	235	A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by post under a certificate of posting or by Registered Post by leaving it at its Registered Office.
Service of Documents by Company on the Registrar of Companies	236	A document may be served on the Registrar of Companies by sending it to him at his office by post under a Certificate of posting or by Registered Post, or by delivering it to or leaving it for him at his office.

REGISTERS AND DOCUMENTS

Title of Article	Article Number	Contents
Registers Documents to be Maintained By the Company	237	<p>The Company shall keep and maintain Registers, Books and documents as required by the Act or these Articles, including the following:</p> <p>(i) Register of Investment made by the Company but not held in its own name, as required by Section 49(7) of the Act and shall keep it open for inspection by any member or debenture holder of the Company without charge.</p> <p>(ii) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 134 of the Act and shall keep open for inspection of any creditor or member of the Company without fee and for inspection by any person on payment of a fee of Rupee one for each inspection</p> <p>(iii) Register and Index of Members as required by Section 150 and 151 of the Act and shall keep the same open for inspection of any member or debenture holder, without fee and of any other person on payment of a fee of Rupee One of each inspection.</p> <p>(iv) Register and Index of Debenture Holders under Section 152 of the Act and keep it open for inspection by any member or debenture holder without fee any by any other person on payment of Rupee one for each inspection,</p> <p>(v) Foreign Register if thought fit as required by Section 157 of the Act and it shall be open for inspection and may be closed and extracts may be taken there from and copies thereof as may be required, in the manner mutatis mutandis, as is applicable to the Principal Register,</p> <p>(vi) Register of Contracts, and Companies and firms in which Directors are interested, as required, by Section 301 of the Act and shall keep it open for inspection of any member free of charge.</p> <p>(vii) Register of Directors, and secretary etc., as required by Section 303 of the Act and shall keep it open for inspection by any member of the Company without charge and of any other person on payment of a fee of Rupee One for each inspection,</p> <p>(viii) Register as to holdings by Directors of shares and/or</p>

		<p>debentures; in the Company as required by Section 307 of the Act and shall keep it open for inspection by any member or debenture holder of the Company on any working day during the period beginning fourteen days before the date of the Company's Annual General Meeting and ending three days after the date of its conclusion,</p> <p>(ix) Register of Investments made by the Company in shares and debentures of the bodies corporate as required by Section 372 of the Act.</p> <p>(x) Books recording minutes of all proceedings of General Meeting, and of all proceedings at meetings of its Board of Directors or of Committees of the Board in accordance with the provisions of Section 193 of the Act.</p> <p>(xi) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.</p> <p>(xii) Register of loans as required by Section 370 of the Act.</p>
Inspection of Registers	238	<p>The Registers mentioned in clauses (ix) and (xii) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken, there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company, as provided for in clause (iii) of the said Article. Copies of entries in the Registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on payment of thirty-seven Paisa for every hundred words or fractional part thereof required to be copied. The Company shall give inspection of the above Registers to the persons entitled to the same on such days and during such business hours as may consistently with the provisions of the Act in that behalf be determined by the Company in General Meeting.</p>

WINDING UP

Title of Article	Article Number	Contents
Distribution of Assets	239	<p>(a) Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the Excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.</p> <p>(b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.</p>
Distribution in Specie or Kind	240	<p>Subject to the provisions of the Act:</p> <p>(a) if the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind' the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.</p>

		<p>(b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right; if any to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.</p>
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SECTION X – 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 contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be 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 located at Shop No. 3, Ground Floor, Ashoka Complex, B/h. Woodland Hotel, Naroli cross road, Silvassa, Dadra Nagar Haveli-396230 from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Memorandum of understanding dated June 12, 2013 and Supplementary Agreement dated September 16, 2013 between our Company and the Lead Manager.
2. Memorandum of Understanding dated June 12, 2013 and Supplementary Agreement dated September 16, 2013 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated October 09, 2013 between our Company, the Lead Manager, and Underwriter.
4. Market Making Agreement dated October 09, 2013 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated July 30, 2013
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 09, 2013.
7. Escrow Agreement dated September 30, 2013 between our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated September 09, 2013 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated September 11, 2013 authorizing the Issue.
4. Statement of Tax Benefits dated February 15, 2013, issued by our Statutory Auditors, M/s. Mehul Thakker & Co., Chartered Accountants.
5. Copy of Restated Audit report from the peer review certified auditor, M/s. V. J. Amin & Co. Chartered Accountants dated October 5, 2013, included in the Prospectus.
6. Copy of Certificate from the Statutory Auditor, M/s. Mehul Thakker & Co., Chartered Accountants dated September 16, 2013, regarding the source and deployment of funds as on August 31, 2013.
7. Copies of Annual reports of the Company for the years ended March 31, 2013, 2012, 2011, 2010, 2009, and Three months ended June 30, 2013.
8. Consents of Directors, Company Secretary, Compliance Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, Bankers to our Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks and Refund Banker to the Issue, to act in their respective capacities.

9. Copy of Approval dated September 20, 2013 from the SME Platform of BSE.
10. Due Diligence Certificate dated October 9, 2013 from the Lead Manager.
11. Copy of resolution dated April 1, 2010 for appointment and agreement of association dated April 1, 2010 fixing remuneration of Mr. Chirag Thakkar, Managing Director.
12. Copy of resolution dated June 11, 2012, for re-appointment and agreement of association dated June 11, 2012 fixing remuneration of Mr. Ashwin Shah, Executive Director.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI
DECLARATION

All the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government of India or the regulations 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 this Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

Signed By the Directors and Finance Head of the Company:

Name	Designation	Signatures
Mr. Chirag Thakkar	Managing Director	
Mr. Ashwin Shah	Executive Director (Finance Head)	
Mr. Hasmukh Thakkar	Non Executive Director & Independent	
Mr. Shankar Bhagat	Non Executive Director & Independent	
Mr. Saurabh Shah	Non Executive Director & Independent	

Signed by the Compliance Officer and Company Secretary of the Company:

Name	Designation	Signatures
Mr. Nirav Basher	Compliance Officer	
Ms Rashmi Aahuja	Company Secretary	

Place: Ahmedabad
Date: October 9, 2013