



AGRIMONY COMMODITIES LIMITED

Our Company was incorporated as 'Sahjanand Enterprises Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated August 6, 1991 issued by the Registrar of Companies, Maharashtra. Further, the name of our Company was changed to 'Transparent Commodities Private Limited' pursuant to a Fresh Certificate of Incorporation dated March 17, 2011 issued by the Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Transparent Commodities Limited' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. The name of our Company was further changed to 'Agrimony Commodities Limited' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. Our corporate identification number is U74999MH1991PLC062821. For further details of our Company, please refer to the chapters titled 'General Information' and 'History and Certain Corporate Matters' beginning on page numbers 29 and 78, respectively, of the Prospectus.

Registered Office: 701, 7th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra

Tel: +91 22 2612 4294, **Fax:** +91 22 2612 4294, **Website:** www.agrimonycommodities.com, **E-mail:** compliance@agrimonycommodities.com

Company Secretary and Compliance Officer: Mr. Shailesh Vallabhbhai Rakhasiya

PROMOTER: MR. JAIRAJ V. BAFNA AND MR. ANANDRAO B. GOLE

PUBLIC ISSUE OF 30,20,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AGRIMONY COMMODITIES LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT PAR, AGGREGATING ₹ 302.00 LACS ("THE ISSUE"), OF WHICH 1,60,000 EQUITY SHARES OF ₹ 10 EACH FOR CASH AT PAR, AGGREGATING ₹ 16.00 LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKERS TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 28,60,000 EQUITY SHARES OF ₹ 10 EACH FOR CASH AT PAR AGGREGATING ₹ 286.00 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.51% AND 25.11% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

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

For further details please refer the section titled 'Issue Related Information' beginning on page 141 of the 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 147 of the 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 OF ₹ 10 IS 1 TIME OF THE FACE VALUE

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10 and the Issue price of ₹ 10 per Equity Share is 1 time of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager, as stated under the chapter titled 'Basis for the Issue Price' beginning on page 52 of the Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 10 of the Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares 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 **January 21, 2014** 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 TO THE ISSUE



UNICON CAPITAL SERVICES PRIVATE LIMITED

3rd Floor, 'A' wing, Vilco Center
8, Subhash Road, Vile Parle (East)
Mumbai – 400 057.

Tel No: +91 22 4359 1200 / 4359 1268

Fax No: +91 22 3390 1547

Website: www.uniconindia.in

Email: mb@unicon.in

Investor Grievance ID: investors@unicon.in

SEBI Registration No: INM000011609

Contact Person: Mr. Rajat Patodia

REGISTRAR TO THE ISSUE



PURVA SHARE REGISTRY (INDIA) PRIVATE LIMITED

No. 9, Shiv Shakti Ind. Estate,
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

Tel: +91 22 2301 6761/8261

Fax: +91 22 2301 2517

Website: www.purvashare.com

Email: basicomp@vsnl.com

SEBI Regn No. INR000001112

Contact Person: Mr. Rajesh Shah

ISSUE PROGRAMME

ISSUE OPENS ON:

Friday, January 31, 2014

ISSUE CLOSES ON:

Tuesday, February 04, 2014

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

General Terms

Term	Description
“Agrimony Commodities Limited”, “Agrimony”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to Agrimony Commodities Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 701, 7 th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra

Issue Related Terms

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
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
Bankers to our Company	Bank of India
Bankers to the Issue	HDFC 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
Escrow Account	Account opened/to be 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 / to be 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 to 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
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 30,20,000 Equity Shares of ₹ 10 each at par aggregating to ₹ 302.00 Lacs by Agrimony Commodities Limited

Issue Price	The price at which the Equity Shares are being issued by our Company under the Prospectus being ₹ 10
LM / Lead Manager	Lead Manager to the Issue, in this case being Unicon Capital Services Private 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 28,60,000 Equity Shares of ₹ 10 each at par aggregating ₹ 286.00 Lacs by Agrimony Commodities 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 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 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 opened / 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	HDFC 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 Purva Shareregistry (India) 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	Unicon Capital Services Private Limited and Transparent Shares & Securities Private Limited (Artha Vrddhi Securities Limited)
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated December 12, 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

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Agrimony Commodities Limited, as amended from time to time.
Auditors	The Statutory Auditors of our Company, being M/s V.R. Bhabhra & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of Agrimony Commodities Limited, including all duly constituted Committees thereof.
Companies Act	Companies Act, 1956, as superceded and substituted by notified provisions of the Companies Act, 2013
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Agrimony Commodities Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Agrimony Commodities Limited
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India) Regulations, 2000
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters/ Core Promoters	Anandrao B. Gole and Jairaj V. Bafna
Registered Office	The Registered Office of our company is located at 701, 7 th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra
RoC	Registrar of Companies, Maharashtra situated at Mumbai
SEBI	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 (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009 as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited

Technical / Industry Related Terms

Term	Description
CSO	Central Statistical Organisation
GDP	Gross Domestic Product
DEPB	Duty entitlement pass book scheme
EPCG	Export Promotion Capital Goods Scheme
FDI	Foreign Direct Investment
F&O	Futures and Options

Term	Description
FMC	Forward Market Commission
GOI	Government of India
FOB	Free on Board
RONW	Return on Net Worth
SSI	Small Scale Industry
VCF	Venture Capital Funds
SENSEX	Bombay Stock Exchange Sensitive Index
NIFTY	National Stock Exchange Sensitive Index

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account

NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
₹ or Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days except Saturday, Sunday and any public holiday

Notwithstanding the foregoing:

1. In the section titled '*Main Provisions of the Articles of Association*' beginning on page number 165 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled '*Summary of Our Business*' and '*Our Business*' beginning on page numbers 23 and 73 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled '*Risk Factors*' beginning on page number 10 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled '*Statement of Tax Benefits*' beginning on page number 54 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page number 119 of the Prospectus, defined terms shall have the meaning given to such terms in that section.

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 March 31, 2013 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 102 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, 73 and 119, 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.

These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled ‘Risk Factors’, ‘Our Business’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page numbers 10, 73 and 119, respectively of the Prospectus.

Forward looking statements reflects views as of the date of the Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 73 and 119, respectively, of the Prospectus as well as the other financial and statistical information contained in the 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 102 of the Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

The Prospectus also 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 many factors, including the considerations described below and elsewhere in the Prospectus.

These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

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

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

INTERNAL RISKS

- 1. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

(₹ in lacs)

Cash flow from	30.11.2013	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Operating activities	-445.51	-67.29	7.09	77.76	4.49
Investing activities	-76.28	-41.24	0.00	8.36	0.00
Financing activities	546.48	-0.55	-0.01	8.87	-0.21

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled 'Financial Information' and chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 102 and 119, respectively, of the Prospectus.

- 2. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in**

the estimates may require us to reschedule our project expenditure and may have a bearing on our expected revenues and earnings.

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates for expansion may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

3. *Our operations are significantly located in the Mumbai region and failure to expand our operations may restrict our growth and adversely affect our business*

Currently, we are carrying our business mainly in the Mumbai region and hence our major revenues are generated from operations in these regions only. In the event that demand for our products 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. 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.

4. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.*

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority 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 will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer to sections titled "Government and other Key Approvals" beginning on page 127 of the Prospectus.

5. *Our success depends largely upon the services of our Promoters, Executive Directors and other key managerial personnel and our ability to attract and retain them.*

We are dependent on our Key Managerial Personnel for setting our strategic direction and managing our businesses. Our Promoters have over the years built relations with suppliers, customers and other persons who are connected with us. Accordingly, our Company's performance is dependent upon the services of our Promoters, our Executive Directors and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

6. *Our inability to manage growth could disrupt our business and reduce our profitability.*

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our new products portfolio. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any 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” beginning on page 48 of the Prospectus.

- 8. *The prices we are able to obtain for the trading products that we trade depend largely on prevailing market prices.***

The prevailing market price of our trading products has a significant impact on our profits. Commodities have been subject to price fluctuations resulting from weather, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations.

- 9. *Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.***

For the period ended November 30, 2013, we have only 3 Clients which contributed almost 100% of our sales. The loss of our major customers or a decrease in the volume of products sourced from us may adversely affect our revenues and profitability. We cannot assure you that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.

- 10. *We are only dependent upon a few supplier for our raw material for our current trading business.***

100% of our purchases are from 4 suppliers, for the period ended November 30, 2013. Any problems faced by our supplier resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer’s requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

- 11. *We face intense competition in our businesses, which may limit our growth and prospects.***

Our Company faces significant competition from other manufacturers and traders. In particular, we compete with other traders operating in the markets in which we are present. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

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

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

We have not paid any dividends since incorporation. Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.


13. *We do not own our Registered Office from which we operate.*

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on lease basis from Mr. Sachin Karia, at the rent of ₹ 36,000 per month with an increase of 5% per annum. We cannot assure you that we will have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition. Further these agreements are not registered and may not be adequately stamped under Indian law. In the event of any such irregularity, we may not be able to enforce our rights under such agreements in the event of a dispute. For further details of our office premises please refer to the section titled "Our Business Overview" on page 73 of the Prospectus.

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

We have entered into transactions with our promoters and our Promoter Group. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For further details, please refer to "Annexure XV – Related Party Transactions" of the "Auditors Report" beginning on page 117 of the Prospectus.

15. *Our Company has not registered the trademark. Our ability to use the trademark may be impaired if the same is not registered under our name.*

We have not registered the trademark  and logo of our Company which we use. Our Company has applied for registration of trademark in the name of the Company vide its application dated November 11, 2013. The registration for the said trademark in our name is important to retain our brand equity. If we do not register our trademark, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. We are unable to assure that the future viability or value of any of our intellectual property. Our Company's business may be affected due to our inability to protect our existing and future intellectual property rights. Currently, we do not enjoy the statutory protections accorded to a trademark registered in India and may not prohibit the use of such name and logo by anybody by means of statutory protection until it is registered.

16. *Future issuances of Equity Shares or future sales of Equity Shares by our Promoters and certain shareholders, or the perception that such sales may occur, may result in a decrease of the market price of our Equity Shares.*

In the future, we may issue additional equity securities for financing our capital requirements. In addition, our Promoters and certain shareholders may dispose off their interests in our Equity Shares directly, indirectly or may pledge or encumber their Equity Shares. Any such issuances or sales or the prospect of any such issuances or sales could result in a dilution of shareholders' holding or a negative market perception and potentially in a lower market price of our Equity Shares.

17. *Our Company has not taken insurance cover hence we may not be able to protect ourselves from all losses and may inturn adversely affect our financial condition.*

Our Company has not taken any insurance cover at present. Hence we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer loss or damage, our results of operations or cash flow may be affected.

- 18. Some of the Group Companies promoted by our Promoters have incurred losses in the last three years. Sustained financial losses by our Group Companies may not be perceived positively by external parties such as clients, customers, bankers etc, which may affect our credibility and business operations.**

The following Group Companies promoted by the Promoters has incurred losses in one or more of the last three years:

Name of the Company	(₹ Lacs)
Advantage Commodities Private Limited	FY 2012 (0.36)

- 19. The new Companies Act, 2013 is in the process of being implemented and any developments in the near future may be material with respect to the disclosures to be made in this Prospectus as well as other rules and formalities for completing the Issue.**

The Companies Act, 2013 has been published on August 29, 2013 and Section 1 of the said Act was notified on August 30, 2013 while 98 more sections were notified as on September 12, 2013. Though we have incorporated the relevant details pertaining to the new Companies Act, 2013 (to the extent notified) in this Prospectus, any further notifications by the MCA after our filing of this Prospectus may be material with respect to the disclosures to be made in this Prospectus as well as other rules and formalities for completing the Issue. The Companies Act, 2013 is expected to replace the existing Companies Act, 1956. The Companies Act, 2013 provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, the requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act, 2013 is expected to be complemented by a set of rules that shall set out the procedure for compliance with the substantive provisions of the Companies Act, 2013. In the absence of such rules, it is difficult to predict with any degree of certainty the impact, adverse or otherwise, of the Companies Act, 2013 on the Issue, and on the business, prospects and results of operations of the Company

EXTERNAL RISKS

- 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 Transparent Shares & Securities Limited (Artha Vrddhi Securities 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 29 of the 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 30,20,000 Equity Shares of ₹ 10 each at par aggregating ₹ 302.00 Lacs.
2. For information on changes in our Company’s 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 78 of the Prospectus.
3. Our Net Worth as at March 31, 2013 was ₹ 174.62 Lacs and as at November 30, 2013 was ₹ 727.54 Lacs.
4. The Net Asset Value per Equity Share as at March 31, 2013 was ₹ 174.62 and as at November 30, 2013 was ₹ 77.04.
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 ₹)
Anandrao B. Gole	11.03
Jairaj V. Bafna	10.56

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “Capital Structure” beginning on page 36 of the Prospectus.

7. Other than as disclosed under “Related Party Transactions” in “Section VI Financial Information” of our Company beginning on page 102 of this Prospectus, none of our group companies are having business interests or other interests in our Company.
8. Investors are advised to refer to the paragraph titled “Basis for Issue Price” beginning on page 52 of this Prospectus.

9. The Lead Manager and our Company shall update the Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of the Prospectus and commencement of trading.
10. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
11. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares (of Agrimony Commodities Limited) held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please refer to the section titled “*Our Management*” on page 82 of this Prospectus.
12. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details please refer to “*Section VI Financial Information*” beginning on page 102 of this Prospectus.
13. No part of the Issue proceeds will be paid as consideration to Promoters, Directors, Key Managerial Personnel or persons forming part of Promoter Group.
14. 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 the Prospectus.
15. The details of transaction by our Company with the group companies are disclosed under “*Related Party Transactions*” in “*Section VI Financial Information*” of our Company beginning on page 102 of this Prospectus.
16. Since inception, our Company not issued any equity shares by capitalization of reserves.
17. Our Company does not have any contingent liabilities outstanding as on November 30, 2013.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

Iron & Steel Industry

The Indian steel sector, one of the core industries in the country, is about a century old, with Tata Iron & Steel Co (Tata Steel) being the first integrated steel plant to be established in 1907. India is currently the world's fourth largest producer of crude steel and is expected to move ahead of its competitors (the US and Japan) in a couple of years. Steel industry mainly derives its demand from other sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes etc. Thus its intense integration with other important segments makes it a strategic focus area for the Government as well. India Ratings & Research (Ind-Ra) anticipates that growth in Indian steel sector will gain momentum in 2014 on the back of growth in other economic segments. The World Steel Association (WSA) projects that local steel demand in India would increase by 5.9 per cent and 7 per cent in 2013 and 2014 respectively.

India is the world's fourth largest producer of crude steel; the country is expected to become the second largest producer by 2015. The total market value of the steel sector in India was estimated at US\$ 55.1 billion in 2011 and is expected to touch US\$ 83 billion by 2014. Total crude and finished steel production grew at a compound annual growth rate (CAGR) of 6.6 per cent and 4.2 per cent to over FY08-11 to 69.6 million tonnes (MT) and 66 MT respectively. The Ministry of Steel has predicted finished steel production levels at 115.3 MT by FY17.

The construction and infrastructure sector is the largest consumer of steel in India, accounting for 61 per cent of total consumption in 2010. Total consumption of steel exceeded production and grew to 70.9 MT in FY12 as against 66.4 MT in FY11; over FY07-12, consumption has expanded at a CAGR of 8.7 per cent.

The Government of India has allowed 100 per cent foreign direct investment (FDI) in the sector through automatic route. In view of the changed dynamics of the sector both globally as well as domestically, the Ministry of Steel has initiated the process of drafting the new National Steel Policy. The demand for steel is expected to be robust with increasing capacity addition by the automotive industries. Further, increasing investment in infrastructure is set to raise steel demand by roughly 40 million tonnes per annum (MTPA) from FY13-17.

(Source: <http://www.ibef.org/industry/steel.aspx>)

Market Size

Latest figures by WSA has revealed that India's steel production increased by 0.9 per cent to 6.45 million tonne (MT) in June 2013, as against 6.39 MT in June 2012. Moreover, the data showed that India fared better than rest of the world in terms of average output for the first six months of 2013. India's steel production grew by 2.5 per cent to 39.63 MT in the six month period January-June 2013 as against 38.68 MT in the same period in 2012. During the same period, world crude steel production was 789.8 MT, recording an increase of 2 per cent.

(Source: <http://www.ibef.org/industry/steel.aspx>)

TRENDS AND DEVELOPMENTS IN STEEL SECTOR

- India continues to remain the 4th largest producer of crude steel in the world as against the 8th position in 2003 and is expected to become the 2nd largest producer of crude steel soon.
- India remains to be the world's largest producer of direct reduced iron (DRI) or sponge iron.
- The per capita steel consumption has risen from 38 kgs in 2005-06 to 59 kgs in 2011-12.
- Capacity for crude steel production expanded from 51.17 million tonnes per annum (mtpa) in 2005-06 to 89.29 mtpa in 2011-12.
- Crude steel production grew at 8% annually [Compounded Annual Growth Rate (CAGR)] from 46.46 million tonnes in 2005-06 to 73.79 million tonnes in 2011-12.
- Production for sale of finished steel stood at 73.42 million tonnes during 2011-12 as against 46.57 million tonnes in 2005-06, an average annual CAGR growth of 7.9%.
- Real Consumption of finished steel has grown at a CAGR of 9.4% during the last six years.
- Export of finished steel during 2011-12 stood at 4.04 million tonnes while imports during 2011-12 stood at 6.83 million tonnes.

During April-December 2012, the following is the industry scenario as compared to same period of last year:

- Production of crude steel during April - December 2012 was at 58.33 million tonnes, a growth of 5.8% compared to April - December 2011. The Main Producers produced 18.34 million tonnes during this period, which was a growth of 4.5% compared to last year. The Major Producers produced 13.86 million tonnes during this period, which was a growth of 11.5% compared to last year. The rest i.e. 26.13 million tonnes was the contribution of the Other Producers, which was a growth of 3.9% compared to last year.
- Pig iron production for sale in April - December 2012 was 4.601 million tonnes (a growth of 5% compared to last year), after accounting for own consumption/IPT. The Main Producers accounted for approximately 11% of the same, the rest (89%) being the share of the Majors and Other Producers.
- In case of total finished steel (alloy + non-alloy) during April – December 2012:
 - Production for sale stood at 56.72 million tonnes, a growth of 3.6% compared to last year.
 - Exports stood at 3.78 million tonnes, a growth of 24% compared to last year.
 - Imports stood at 5.79 mt, a growth of 16.2% compared to last year.
 - India remained a net importer of steel.
 - Real consumption stood at 53.53 mt, a growth of 3.7% compared to last year.

(Source: Ministry of Steel, Annual Report 2012-13)

Road Ahead

The market of Steel Service Centres (SSC) is at a very nascent stage in India. It is expected to grow at a compound annual growth rate (CAGR) of 18 per cent during FY 2017-18 as steel makers expand capacities and more and more customers look for customised products.

Domestic steel market is into an evolutionary stage wherein it is shifting from simply selling steel to selling steel solutions; thanks to growth in the automobile and white goods segments, and entry of multinational companies (MNCs). Owing to immense competition in the automotive industry, white goods, fabricators and other end-use segments (infrastructure, construction, electrical, pipes and tubes, and engineering equipment-related industries), and the need of curbing inventory cost, executing strategies like 'just-in-time (JIT)' is likely to boost this service center concept to grow rapidly in the next 5-10 years.

(Source: <http://www.ibef.org/industry/steel.aspx>)

AGRICULTURE SECTOR IN INDIA

Agriculture is the dominant sector of Indian economy, which determines the growth and sustainability. About 65 per cent of the population still relies on agriculture for employment and livelihood. India is the first in the world in the production of milk, pulses, jute and jute-like fibres; second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production; and is a leading producer of spices and plantation crops as well as livestock, fisheries and poultry.

In the past few years, Indian agriculture has done remarkably well in terms of output growth. The 11th Five Year Plan (2007-12) witnessed an average annual growth of 3.6 per cent in the gross domestic product (GDP) from agriculture and allied sector. The growth target for agriculture in the 12th Five Year Plan is estimated to be 4 per cent. Indian agriculture is benefitting huge from rising external demand and the sector's wider participation in the global economy.

In order to boost investments in the sector, the Government of India has allowed 100 per cent foreign direct investment (FDI) under automatic route in storage and warehousing including cold storages. The government has also allowed 100 per cent FDI under the automatic route for the development of seeds.

Department of Agriculture and Cooperation under the Ministry of Agriculture is the nodal organisation responsible for development of the agriculture sector in India. The organisation is responsible for formulation and implementation of national policies and programmes aimed at achieving rapid agricultural growth through optimum utilisation of land, water, soil and plant resources of the country.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

Major Developments and Investments

The total planned expenditure for the Ministry of Agriculture has increased considerably to Rs 27,049 crore (US\$ 4.98 billion) in the Union Budget 2013-14. The outlay is 22 per cent over the revised estimates of the year 2012-13. Further, the amount of Rs 1,000 crore (US\$ 184.32 million) has been allocated to continue support to the new green revolution in Eastern States like Assam, Bihar, Chhattisgarh and West Bengal to increase the rice production. An outlay of Rs 500 crore (US\$ 92.17 million) is also proposed for starting a programme of crop diversification that would promote technological innovation and encourage farmers to choose crop alternatives in the original green revolution States.

Under the Rashtriya Krishi Vikas Yojana, an outlay of Rs 9954 crore (US\$ 1.83 billion) and Rs 2250 crore (US\$ 414.64 million) have been proposed for mobilizing higher investment in agriculture and the National Food Security Mission respectively.

A memorandum of understanding (MoU) has been signed between Indian Council of Agricultural Research (ICAR) and Ramakrishna Mission Vivekananda University (RKMVU) for establishment of 632nd Krishi Vigyan Kendra (KVK) in South 24 Parganas district, West Bengal.

The ICAR and the World Bank have been implementing a joint National Agricultural Innovation Project (NAIP) in the country to accelerate the collaborative development and application of agricultural innovations. Till date, an amount of Rs 727.93 crore (US\$ 134.13 million) has been released by the World Bank for the project.

The Chennai based Indian Overseas Bank (IOB) keeping its thrust on agricultural lending under priority sector area has proposed to open 15 special agricultural credit branches in Karnataka and Maharashtra. The bank intends to lend about Rs 500 crore (US\$ 92.17 million) through these branches.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

Road Ahead

The Indian agriculture sector is now moving towards another green revolution. The transformations in the sector are being induced by factors like newfound interest of the organised sector, new and improved technologies, mechanised farming, rapid growth of contract farming, easy credit facilities, etc. The Ministry of Agriculture is promoting a new strategy for farm mechanization through its various schemes and programmes. A dedicated Sub-Mission on Agricultural Mechanization has been proposed for the 12th Plan which includes custom-hiring facilities for agricultural machinery as one of its major components.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

INDIAN TEXTILE INDUSTRY

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14% to industrial production, 4 percent to the GDP, and 17% to the country's export earnings. It provides direct employment to over 35 million people. The Textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

The Indian textiles industry is extremely varied, with the hand-spun and hand woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms/hosiery and knitting sectors form the largest section of the Textiles

(Source: *Annual Report 2011 – 2012, Ministry of Textiles, GOI*)

India earns about 27 per cent of its total foreign exchange through textile exports. The textile industry contributes nearly 14 per cent of the total industrial production of the country. Fabric production rose to 60,996 million sq meters in FY 2011 from 52,665 million sq meters in FY 2007.

Production of raw cotton grew to 32.5 million bales in FY11 from 28 million bales in FY07, while production of man-made fibre rose to 1,281 million kgs in FY11 from 1,139 million kgs in FY07. Production of yarn grew to

6,233 million kgs in FY11 from 5,183 million kgs in FY07. India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020. Exports of textile grew to US\$ 26.8 billion in FY10 from US\$ 17.6 billion in FY06. India's textile trade is dominated by exports with a CAGR of 6.3 per cent during the same period.

(Source: http://www.ibef.org/artdispview.aspx?art_id=31705&cat_id=123&in=73)

Current Industry Structure and Future Industry Structure

The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

THE DECENTRALISED POWERLOOM SECTOR

The decentralised powerloom sector is one of the most important segments of the Textile Industry in terms of fabric production and employment generation. It provides employment to 57.44 Lakh persons and contributes 62 percent to total cloth production in the Country. 60% of the fabrics produced in the powerloom sector is man-made. More than 60% of fabric meant for export is also sourced from powerloom sector. The readymade garments and home textile sectors are heavily dependent on the powerloom sector to meet their fabric requirement. There are approximately 5.19 Lakh Powerloom Units with 22.98 Lakh Powerlooms as on 31.08.2011.

The estimated number of powerlooms in the decentralised sector in the country till 31.08.2011 was 22,98,050. The year-wise growth in the number of looms installed is given in table below:

Year	No. of powerlooms	Growth percentage
2006-07	19,90,308	-
2007-08	21,06,370	5.8%
2008-09	22,05,352	4.7%
2009-10	22,46,474	1.9%
2010-11	22,82,744	1.61%
2011-12 (up to Aug, 2011)	22,98,050	0.67%

The details of total cloth production and production by powerloom sector during the last five years are given in table below:

Year	Total production	Production on Powerloom	%age of powerloom over total cloth production	%age increase over previous year	
				Total Production	Powerloom production
2006-07	53,389	32,879	61.78%	-	-
2007-08	56,025	34,725	61.98%	4.94%	5.61%
2008-09	54,966	33,648	61.22%	-1.89%	-3.10%
2009-10 (P)	60,333	36,997	61.29%	9.76%	9.95%
2010-11 (P)	61,808	37,571	60.73%	2.55%	1.55%
2011-12 (P) April - Aug	24,355	15,055	61.81%	--	--

Item-wise Production of Cloth in Decentralized Power loom Sector:

Item	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 (P)	2011-12 (April-Oct)
Cotton	7361	8821	9647	9923	9621	10128	11852	6729
Blended	4526	4632	5025	4918	4764	5487	5853	3554
100% Non Cotton	16438	17173	18207	19884	19263	21382	20224	11172
Total	28325	30626	32879	34725	33648	36997	37929	21454

In order to achieve the overall development of the powerloom sector, Govt. has announced the Integrated Scheme for Powerloom Sector Development during 2007 – 08. The Scheme has got the following components:-

- Marketing Development programme for Powerloom Sector
- Exposure visit of Powerloom Weavers to other Clusters
- Survey of the Powerloom Sector
- Powerloom Cluster Development
- Development and Upgradation of skills (HRD)

Marketing Development programme has a vital role in powerloom sector. Therefore, an activity for promotion and marketing of powerloom products through different mechanism such as organization of exhibitions and buyer seller meets, Seminar / Workshops, publicity & awareness programmes etc. are being implemented in association with Powerloom Development & Export Promotion Council (PDEXCIL) and other agencies. During 11th Plan (2007-08 to Oct.2011), total 44 BSM have been conducted and Govt. has released fund amounting Rs.2.66 Crore.

(Source: Annual Report 2011 – 2012, Ministry of Textiles, GOI)

The Road Ahead

Considering the overwhelming response to the scheme and opportunities for growth of the textiles industry and in view of the consistent requests from State Governments, industry groups and entrepreneurs for setting up of new textile parks, a note was submitted by the Ministry of Textiles for consideration of the Cabinet Committee on Economic Affairs for approval of more Textile Parks. The CCEA has approved the proposal for sanction of additional parks under SITP to utilize the balance Rs 200 crore (US\$ 35.60 million) in the Eleventh Five Year Plan and number of projects be limited in such a way that committed liability of the new parks does not exceed Rs 200 crore (US\$ 35.60 million) in the Twelfth Five Year Plan. The CCEA also approved the revised guidelines enabling a two tier scrutiny and approval mechanism. The proposals received for new parks have been examined by the Project Scrutiny Committee (PSC) comprising representatives from Ministry of Finance, Planning Commission, Ministry of Commerce & Industry, and Ministry of Environment & Forest. After examination by PSC, 21 new Textile Park proposals have been approved by the Project Approval Committee under the Chairmanship of Minister of Textiles with Secretary (T) and JS concerned as members.

(Source: http://www.ibef.org/artdispvew.aspx?art_id=31705&cat_id=123&in=73)

SUMMARY OF OUR BUSINESS

We are currently engaged in the business of trading of iron & steel products, suitings & shirtings and other dress materials and agriculture products. We are a multi-product trading company with a diverse product portfolio. We currently trade into following category of products:

- i) Iron & Steel Products
- ii) Textile Products

We are currently serving the corporate and other clients. Our trading customers include Valrack Modular Sysyems Private Limited, Jay Traders and Rose Impex.

Further we are in the process of adding the new products and also enhancing the portfolio within the existing categories.

The Company has plans to engage in buying and selling of various Agricultural as well as Non - Agricultural Commodities through Local Mandis and Markets and/or Exchanges either for arbitrage and/or investment as and when there is a suitable opportunity.

Our Company is also offering the commodity broking services through our subsidiary company Advantage Commodities Private Limited (ACPL). ACPL is engaged in the business of commodities broking through its membership of MCX. Our Company acquired shares of ACPL on August 13, 2013. ACPL has applied to MCX for approval for change in shareholding pattern amounting to change in management. The application is currently pending with MCX.

SUMMARY OF OUR FINANCIAL INFORMATION

The following tables set forth summary financial information derived from restated financial statements as of and for the period ended on March 31, 2013. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI ICDR Regulations and presented under the section titled “Financial Information” beginning on page number 102 of the Prospectus. The summary financial information presented below should be read in conjunction with the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Financial Information” beginning on page numbers 119 and 102, respectively of the Prospectus.

Statement of Assets and Liabilities (As Restated)

(₹ in Lacs)

Particulars	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Equity & Liabilities						
Share capital						
-Equity Share Capital	556.50	10.00	10.00	10.00	1.10	1.10
-Preference Share Capital	0.00	0.00	0.00	0.00	0.00	0.00
Total(a)	556.50	10.00	10.00	10.00	1.10	1.10
Reserves and surplus						
P&L Account	171.04	164.62	162.65	162.00	160.81	155.01
Total(b)	171.04	164.62	162.65	162.00	160.81	155.01
Total Equity & Liabilities	727.54	174.62	172.65	172.00	161.91	156.11
Non Current Liabilities						
Long Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Long term provisions	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.17	0.00	0.00	0.00	0.00
Total Non Current Liabilities	0.00	0.17	0.00	0.00	0.00	0.00
Current Liabilities						
Short Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Trade Payables	364.08	0.00	0.00	0.00	2.29	30.19
Other Current Liabilities	216.25	0.00	0.32	0.13	17.94	9.21
Short Term Provisions	6.10	1.78	0.82	0.52	0.00	0.20
Total Current Liabilities	586.43	1.78	1.14	0.65	20.23	39.60
Total Equity & Liability	1,313.97	176.57	173.79	172.65	182.14	195.71
Non-Current Assets						
a) Fixed Assets						
Tangible Assets	12.27	8.15	2.03	2.26	11.35	13.20
Capital Work -in-Progress	0.00	0.00	0.00	0.00	0.00	0.00
Total Fixed Assets (a)	12.27	8.15	2.03	2.26	11.35	13.20
b) Non Current Investments	139.14	78.63	43.63	43.63	43.63	43.63
c) Long Term Loans and Advances	59.01	2.66	0.00	0.00	0.00	0.00
d) Deferred Tax Asset	0.92	0.00	0.00	0.00	0.00	0.00
e) Other Non Current Assets	9.83	0.00	0.00	0.00	0.00	0.00
Total Non Current Assets	221.17	89.44	45.66	45.89	54.98	56.83

Current assets						
Current Investments	0.00	17.52	0.00	0.00	0.00	40.00
Inventories	0.00	0.00	0.00	0.00	17.09	8.83
Trade Receivables	1,025.27	2.31	15.17	17.35	0.00	0.00
Cash and Cash Equivalents balances	25.61	0.91	109.99	102.91	7.92	3.64
Short Term Loans and advances	39.50	66.38	1.67	0.16	99.23	83.49
Other Current Assets	2.42	0.00	1.29	6.34	2.92	2.92
Total Current Assets	1,092.80	87.12	128.12	126.76	127.16	138.88
Total Assets	1,313.97	176.57	173.79	172.65	182.14	195.71

Summary Statement of Profit and Loss, As Restated

(₹ in Lacs)

Particulars	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Income						
Sales of Products Traded by the Company						
- Export	0.00	0.00	0.00	0.00	101.29	227.94
- Local	1354.97	2.31	0.00	17.09	0.00	39.88
Export Benefits	0.00	0.00	0.00	0.00	14.23	34.91
Total Operating Income	1,354.97	2.31	0.00	17.09	115.52	302.73
Other Income	2.50	9.69	9.14	6.06	0.49	0.32
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	0.00	0.00	0.00	-17.09	8.26	-42.30
Total Income	1,357.47	12.00	9.14	6.06	124.27	260.75
Expenditure						
Purchase of Traded Goods	1342.75	0.00	0.00	0.00	106.46	247.65
Other Direct costs	0.00	0.00	0.00	0.00	4.44	5.22
Administrative and Other Expenses	5.77	8.48	7.95	4.11	5.51	9.55
Total (B)	1,348.52	8.48	7.95	4.11	116.41	262.42
Profit Before Interest, Depreciation and Tax	8.95	3.52	1.19	1.95	7.86	-1.67
Depreciation	1.77	0.12	0.23	0.25	1.85	2.17
Profit Before Interest and Tax	7.18	3.40	0.96	1.70	6.01	-3.84
Financial Charges	0.02	0.55	0.01	0.03	0.21	0.64
Profit before Taxation	7.17	2.85	0.95	1.67	5.80	-4.48
Provision for Taxation	1.77	0.71	0.30	0.52	0.00	0.97
Provision for Deferred Tax	-1.09	0.17	0.00	0.00	0.00	0.00
Provision for FBT	0.00	0.00	0.00	0.00	0.00	0.20
Total	0.68	0.88	0.30	0.52	0.00	1.17
Profit After Tax but Before Extra ordinary Items	6.49	1.97	0.65	1.15	5.80	-5.65
Prior Period Items	0.00	0.00	0.00	-0.04	0.00	0.00
Net Profit after adjustments	6.49	1.97	0.65	1.19	5.80	-5.65

Summary Statement of Cash Flow:

(₹ in Lacs)

PARTICULARS	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit Before Tax	7.17	2.85	0.95	1.67	5.80	-4.48
Adjusted for :						
a. Depreciation	1.77	0.12	0.23	0.25	1.85	2.17
b. Interest Expenses	0.02	0.55	0.01	0.03	0.21	0.64
Operating profit before working capital changes	8.95	3.52	1.19	1.95	7.86	-1.67
Adjusted for :						
a. Decrease /(Increase) in Current Investments	17.52	-17.52	0.00	0.00	40.00	-40.00
b. Decrease /(Increase) in Inventories	0.00	0.00	0.00	17.09	-8.26	42.30
c. Decrease / (Increase) in trade receivable	-					
	1,022.96	12.86	2.18	-17.35	0.00	52.14
d. (Increase) / Decrease in short term loans and advances	26.88	-64.71	-1.51	99.07	-15.74	-25.15
e. (Increase) / Decrease in Other Current Assets	-2.42	1.29	5.05	-3.42	0.00	4.80
f. (Increase) / Decrease in Long term loans and advances	-56.35	-2.66	0.00	0.00	0.00	0.00
g. Increase / (Decrease) in Trade Payables	364.08	0.00	0.00	-2.29	-27.90	-8.21
h. Increase / (Decrease) in short term provisions	4.32	0.96	0.30	0.52	-0.20	0.07
i. Increase / (Decrease) in other current liabilities	216.25	-0.32	0.19	-17.81	8.73	9.21
j. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00	0.00	0.00	0.00
			-	-		-
Cash generated from operations	-443.74	-66.58	7.39	77.76	4.49	33.49
Income Tax Paid (net of refunds)	1.77	0.71	0.30	0.00	0.00	1.17
NET CASH GENERATED FROM OPERATION	-445.51	-67.29	7.09	77.76	4.49	32.32
B. CASH FLOW FROM INVESTING ACTIVITIES						
a. Purchase of Fixed Assets	-5.90	-6.24	0.00	0.00	0.00	-7.31
b. Sale of Fixed Assets	0.00	0.00	0.00	8.36	0.00	0.00
c.(Purchase) / Sale of non-current investment	-60.51	-35.00	0.00	0.00	0.00	0.00
d. (Increase) in Non Current Assets	-9.87	0.00	0.00	0.00	0.00	0.00
Net cash (used) in investing activities	-76.28	-41.24	0.00	8.36	0.00	-7.31
C. CASH FLOW FROM FINANCING ACTIVITIES						
a. Interest Paid	-0.02	-0.55	-0.01	-0.03	-0.21	-0.64
b. Proceeds from share issued	546.50		-	8.90	-	-

c. (Repayments) / proceeds of long term borrowings	0.00	0.00	0.00	0.00	0.00	0.00
d. (Repayments) / proceeds of short term borrowings	0.00	0.00	0.00	0.00	0.00	-30.06
Net cash generated/(used) in financing activities	546.48	-0.55	-0.01	8.87	-0.21	-30.70
Net Increase / (Decrease) in cash and cash equivalents	24.70	-109.08	7.08	94.99	4.28	-5.69
Cash and cash equivalents at the beginning of the year	0.91	109.99	102.91	7.92	3.64	9.33
Cash and cash equivalents at the end of the year	25.61	0.91	109.99	102.91	7.92	3.64

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'.
2. Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

THE ISSUE

Present Issue in terms of the Prospectus:

Issue Details	
Equity Shares offered	30,20,000 Equity Shares of face value of ₹ 10 each
<i>Of which:</i>	
Reserved for Market Makers	1,60,000 Equity Shares of face value of ₹ 10 each
Net Issue to the Public	28,60,000 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding prior to the Issue	83,70,000 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue	1,13,90,000 Equity Shares of face value of ₹ 10 each
Use of Proceeds	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page number 48 of the Prospectus for information on use of Issue Proceeds

Notes

1. 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 related Information’ beginning on page 141 of the Prospectus.
2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 18, 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 December 11, 2013.

GENERAL INFORMATION

AGRIMONY COMMODITIES LIMITED

Our Company was incorporated as ‘Sahjanand Enterprises Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated August 6, 1991 issued by the Registrar of Companies, Maharashtra. Further, the name of our Company was changed to ‘Transparent Commodities Private Limited’ pursuant to a Fresh Certificate of Incorporation dated March 17, 2011 issued by the Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Transparent Commodities Limited’ pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. The name of our Company was further changed to ‘Agrimony Commodities Limited’ pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. Our corporate identification number is U74999MH1991PLC062821

Registered Office of our Company**Agrimony Commodities Limited**

701, 7th Floor, Kingston,
Tejpal Road, Vile Parle (E),
Mumbai – 400057, Maharashtra

Tel: +91 22 2612 4294

Fax: +91 22 2612 4294

Email: complainece@agrimonycommodities.com

Website: www.agrimonycommodities.com

For details of change in the name and Registered Office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page number 78 of the Prospectus.

Address of the RoC**Registrar of Companies, Maharashtra**

Everest Building,
100, Marine Drive,
Mumbai - 400 002,
Maharashtra,
India.

Name of the Stock Exchange where proposed to be listed

Our Company proposed to list its Equity Shares on the SME Platform of BSE Limited.

Issue Programme

Issue Opens on: Friday, January 31, 2014

Issue Closes on: Tuesday, February 04, 2014

Our Board of Directors

The following table sets out details regarding our Board as on the date of the Prospectus:

Sr. No.	Name and Designation	Age (in years)	DIN	Address
1.	Mr. Anandrao B. Gole <i>Managing Director</i>	48	06668955	302, Sai Sneha Bldg No. 10, Saiwadi, Andheri (E), Mumbai - 400069, Maharashtra
2.	Mr. Jairaj V. Bafna <i>Director</i>	28	06637142	310/3, Rajani Mahal, Opp. A.C. Market, 89-95, Tardeo Road, Mumbai - 400034, Maharashtra

Sr. No.	Name and Designation	Age (in years)	DIN	Address
3.	Mr. Suresh Kulkarni <i>Independent Director</i>	61	06554233	Ground Floor, 1, Pragati Building, Road No. 2, Paranjpe Scheme, Vile Parle (E), Mumbai - 400057, Maharashtra
4.	Mr. Mani Ananthanarayan <i>Independent Director</i>	50	05114472	4, Saravana, P.M. Road Extn., Vile Parle (East), Mumbai - 400057, Maharashtra
5.	Mr. Satish Chand Bokdia <i>Independent Director</i>	32	02422260	623, Lodha Pada, Village Delwara, Rajsamand - 313202, Rajasthan T 92, Bldg 3, Trishul CHSL, Section A, Sardar Nagar 1, Maharashtra Housing Board, Mumbai – 400 022

For detailed profile of our Chairman and Managing Director and other Directors, refer to chapters titled “Our Management” and “Our Promoters and Promoter Group” on page 82 and 94 respectively of the Prospectus.

Company Secretary and Compliance Officer

Mr. Shailesh Vallabhbhai Rakhasiya
Agrimony Commodities Limited
 701, 7th Floor, Kingston,
 Tejpal Road, Vile Parle (E),
 Mumbai – 400057, Maharashtra
Tel: +91 22 2612 4294
Fax: +91 22 2612 4294
Email: ipo@agrimonycommodities.com
Website: www.agrimonycommodities.com

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue, Purva Shareregistry (India) Private Limited and / or the Lead Manager, i.e., Unicon Capital Services Private Limited, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Bidder.

Lead Manager to the Issue

Unicon Capital Services Private Limited
 3rd Floor, ‘A’ wing, Vilco Center
 8, Subhash Road, Vile Parle (East)
 Mumbai – 400 057.
Tel No: +91 22 4359 1200 / 4359 1268
Fax No: +91 22 3390 1547
Website: www.uniconindia.in
Email: mb@unicon.in
Investor Grievance ID: investors@unicon.in
SEBI Registration No: INM000011609
Contact Person: Mr. Rajat Patodia

Registrar to the Issue

Purva Sharegistry (India) Private Limited

No. 9, Gr. Floor, Shiv Shakti Ind. Estate,
J. R. Boricha Marg, Lower Parel,
Mumbai-400 011

Tel: +91 22 2301 6761/8261

Fax: +91 22 2301 2517

Website: www.purvashare.com

Email: busicomp@vsnl.com

SEBI Regn No. INR000001112

Contact Person: Mr. Rajesh Shah

Legal Counsel to the Issue

JPS Legal

Office No. 2, Rajdeep,
Kasturba Cross Road No. 1,
Borivali (East), Mumbai 400 066,
Maharashtra, India

Tel: +91 22 2898 3370

Fax: +91 22 2898 3370

Email: jimit.shah@jpslegal.co.in

Bankers to our Company

Bank of India

Smitkiran, 377 S.V. Road,
Vile Parle (West)
Mumbai – 400056
Maharashtra

Tel: +91 22 2614 2492

Fax: +91 22 2613 0053

Email: vileparlew.mumbainorth@bankofindia.co.in

Website: www.bankofindia.co.in

Contact Person: Mr. K.V. Katharia

Statutory Auditors of our Company

V.R. Bhabhra & Co.

Chartered Accountants
303, Sagar Shopping Centre,
76, J.P. Road, Opp. Bombay Bazaar,
Andheri West, Mumbai 400058

Tel: +91 22 2678 1737

Email: vimalbhabhra@yahoo.co.in

Membership No: 046043

FRN: 112861W

Contact Person: Mr. V.R. Bhabhra

Bankers to the Issue/Escrow Collection Banks/ Refund Bankers to the Issue

HDFC Bank Limited

FIG-OPS Department, Lodha I Think Techno Campus,
0-3, Level, Next to Kanjurmarg Railway Station, Kanjurmarg East, Mumbai – 400 042

Tel No: +91 22 3075 2928

Fax No: +91 22 2579 9801

Email: uday.dixit@gdfcbank.com

Website: www.hdfcbank.com

SEBI Registration No: INBI00000063

Contact Person: Mr. Uday Dixit

Self Certified Syndicate Banks (SCSB's)

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/pmd/scsb.html>. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

Statement of Responsibility of the Lead Manager/ Statement of inter se allocation of responsibilities

Since Unicon Capital Services Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

Credit Rating

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

IPO Grading

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

Brokers to the Issue

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

Expert Opinion

Except for the report which will be provided by (a) statutory auditors' reports on the restated financial statements; and (b) statement of tax benefits by the statutory auditors, (a copy of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

Trustees

This is being an issue of Equity Shares, the appointment of trustee is not required.

Appraisal and Monitoring 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.

Underwriting Agreement

This Issue less is 100% Underwritten. The Underwriting agreement is dated December 13, 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 shares underwritten	Amount Underwritten (₹ in Lacs)	% of the Total Issue Size Underwritten
Unicon Capital Services Private Limited 3 rd Floor, 'A' wing, Vilco Center 8, Subhash Road, Vile Parle (East) Mumbai – 400 057. Tel No: +91 22 4359 1200 / 4359 1268	460000	46.00	15.23%

Fax No: +91 22 3390 1547 Website: www.uniconindia.in Email: mb@unicon.in Investor Grievance ID: investors@unicon.in SEBI Registration No: INM000011609 Contact Person: Mr. Rajat Patodia			
TRANSPARENT SHARES & SECURITIES LIMITED (Artha Vrddhi Securities Limited) Vrushti, 20 Swastik Society, V.M. Road, Vile Parle West, Mumbai – 400056 Tel: +91 22 6733 8800 Fax: +91 22 6733 8899 Email: support@transparent.co.in Website: www.transparent.co.in SEBI Registration No: INB011221331 Contact Person: Ms. Pratibha Mahadik	2560000	256.00	84.77%
Total	3020000	302.00	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 December 13, 2013, with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

TRANSPARENT SHARES & SECURITIES LIMITED (Artha Vrddhi Securities Limited)

Vrushti, 20 Swastik Society,
V.M. Road, Vile Parle West,
Mumbai – 400056
Tel: +91 22 6733 8800
Fax: +91 22 6733 8899
Email: support@transparent.co.in
Website: www.transparent.co.in
SEBI Registration No: INB011221331
Contact Person: Ms. Pratibha Mahadik

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 Market 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 particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

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- 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) **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.

- 11) **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.

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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

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Prospectus and after giving effect to the Issue is set forth below:

No.	Particulars	Amount (₹ in Lacs)	
		Aggregate nominal value	Aggregate value at Issue Price
A. Authorised Share Capital			
	1,25,00,000 Equity Shares of ₹ 10 each	1,250.00	--
B. Issued, Subscribed and Paid-Up Share Capital before the Issue			
	83,70,000 Equity Shares of ₹ 10 each	837.00	--
C. Present Issue in terms of the Prospectus^(a)			
	Public Issue of 30,20,000 Equity Shares at a Issue price of ₹ 10 per Equity Share	302.00	302.00
	<i>Which comprises:</i>		
	a) Reservation for Market Maker(s) - 1,60,000 Equity Shares of ₹ 10 each reserved as Market Maker portion at a price of ₹ 10 per Equity Share	16.00	16.00
	b) Net Issue to the Public of 28,60,000 Equity Shares of ₹ 10 each at a price of ₹ 10 per Equity Share	286.00	286.00
	Of the Net Issue to the Public		
	- 14,30,000 Equity Shares of ₹ 10 each at a price of ₹ 10 per Equity Share shall be available for allocation for Investors applying for a value of upto ₹ 2 lacs	143.00	143.00
	- 14,30,000 Equity Shares of ₹ 10 each at a price of ₹ 10 per Equity Share shall be available for allocation for Investors applying for a value above ₹ 2 lacs	143.00	143.00
D. Issued, Subscribed and Paid-up Share Capital after the Issue			
	1,13,90,000 Equity Shares of ₹ 10 each	1,139.00	--
E. Securities Premium Account			
	Before the Issue		Nil
	After the Issue		Nil

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on November 18, 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 December 11, 2013.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in authorised Share Capital:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM/EGM
From	To		
₹ 10,00,000 consisting of 1,00,000 Equity shares of ₹ 10 each.		On incorporation	-

Particulars of Change		Date of Shareholders' Meeting	AGM/EGM
From	To		
₹ 10,00,000 consisting of 1,00,000 Equity shares of ₹ 10 each.	₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each.	July 16, 2013	EGM
₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each.	₹ 12,50,00,000 consisting of 1,25,00,000 Equity shares of ₹ 10 each.	August 13, 2013	EGM

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value	Issue Price	Nature of consideration	Nature of Allotment	Cumulative number of Equity	Cumulative Paid -up Capital	Cumulative Securities premium
		(₹)	(₹)			Shares	(₹)	(₹)
6-Aug-91	20	10	10	Cash	Subscription to Memorandum of Association	20	200	Nil
31-Mar-01	10,980	10	10	Cash	Preferential Allotment	11,000	110,000	Nil
1-May-10	89,000	10	10	Cash	Preferential Allotment	100,000	1,000,000	Nil
14-Aug-13	625,000	10	10	Cash	Preferential Allotment	725,000	7,250,000	Nil
28-Oct-13	4,455,000	10	10	Cash	Preferential Allotment	5,180,000	51,800,000	Nil
30-Oct-13	385,000	10	10	Cash	Preferential Allotment	5,565,000	55,650,000	Nil
10-Dec-13	2,486,500	10	10	Cash	Preferential Allotment	8,051,500	80,515,000	Nil
13-Dec-13	318,500	10	10	Cash	Preferential Allotment	8,370,000	83,700,000	Nil

3. Equity Shares issued for consideration other than cash by our Company.

Our Company has not issued any Equity Shares for consideration other than cash.

4. Details of Promoters' contribution and Lock-in

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

Details of build-up of shareholding of the Promoters and lock-in

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/Transfer price per Equity Share (in ₹)	Consideration (cash /other than cash)	% of pre issue capital	% of post issue capital	Lock-in Period

	Mr. Anandrao B. Gole							
14-Aug-13	Further Allotment	90,000	10	10	Cash	1.08%	0.79%	3 Years
16-Aug-13	Purchased from Transparent Shares & Securities Private Limited	48,960	10	32.70		0.58%	0.43%	3 Years
16-Aug-13	Purchased from Neepa Choksi	510	10	32.70		0.01%	0.00%	3 Years
16-Aug-13	Purchased from Ankur Choksi	10	10	32.70		0.00%	0.00%	3 Years
16-Aug-13	Purchased from Raksha Choksi	10	10	32.70		0.00%	0.00%	3 Years
16-Aug-13	Purchased from Krishnakant Choksi	10	10	32.70		0.00%	0.00%	3 Years
30-Oct-13	Further Allotment	155,000	10	10	Cash	1.85%	1.36%	3 Years
10-Dec-13	Further Allotment	795,500	10	10	Cash	9.50%	6.98%	1 Year
	Sub-total	1,090,000				13.02%	9.57%	
	Mr. Jairaj V. Bafna							
14-Aug-13	Further Allotment	160,000	10	10	Cash	1.91%	1.40%	3 Years
16-Aug-13	Purchased from Transparent Shares & Securities Private Limited	50,000	10	32.70		0.60%	0.44%	3 Years
30-Oct-13	Further Allotment	230,000	10	10	Cash	2.75%	2.02%	3 Years
10-Dec-13	Further Allotment	1,595,000	10	10	Cash	19.06%	14.00%	3 Years
	Sub-total	2,035,000				24.31%	17.87%	
		3,125,000				37.34%	27.44%	

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% 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 (“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 23,29,500 Equity Shares for a period of three years from the date of Allotment in the Issue.

The balance pre-Issue Equity Share capital of our Company, *i.e.* 60,40,500 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Issue. Equity Shares offered by the Promoters for the minimum Promoters’ contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters’ contribution;
- 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; or equity shares pledged with any creditor.

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.

Equity Shares locked-in for one year

In addition to 20% 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.* 60,40,500 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

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. Our shareholding pattern

- (a) The table below represents the shareholding pattern of our Company in accordance with clause 37 of the Listing Agreement, as on the date of the Prospectus:

Category code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a % of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of shareholding
(A)	Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family / Nominee of Promoter	2	31,25,000	Nil	37.34	37.34	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other (Trusts)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(1)	2	31,25,000	Nil	37.34	37.34	Nil	Nil
2	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Promoter Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a % of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of shareholding
(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)	2	31,25,000	Nil	37.34	37.34	Nil	Nil
(B)	Public shareholding							
1	Institutions							
(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)	Foreign Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Non-institutions							
(a)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	4	16,200	Nil	0.19	0.19	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	59	52,28,800	Nil	62.47	62.47	Nil	Nil
(c)	Any Other							
	1. NRI	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2. Directors & Relatives	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	3. Foreign Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	4. Trust	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(2)	63	52,45,000	Nil	62.66	62.66	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)	63	52,45,000	Nil	62.66	62.66	Nil	Nil
	TOTAL (A)+(B)	65	83,70,000	Nil	100.00	100.00	Nil	Nil
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
(a)	Promoter and Promoter group	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A)+(B)+(C)	65	83,70,000	Nil	100.00	100.00	Nil	Nil

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement for listing on SME Exchange, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.

(b) The table below represents the holding of partly paid-up shares / outstanding convertible securities / warrants in our Company:

Partly paid-up shares	No. of partly paid-up shares	As a % of total no. of partly paid-up Shares	As a % of total no. of shares of our Company
Held by promoter/promoter Group	NIL	-	-

Held by public	NIL	-	-
Total	NIL	-	-
Outstanding convertible securities	No. of outstanding Securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of our Company, assuming full conversion of the convertible Securities
Held by promoter/promoter Group	NIL	-	-
Held by public	NIL	-	-
Total	NIL	-	-
Warrants	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of our Company, assuming full conversion of Warrants
Held by promoter/promoter Group	NIL	-	-
Held by public	NIL	-	-
Total	NIL	-	-
Total paid-up capital of our Company, assuming full conversion of warrants and convertible securities			8,37,00,000

(c) Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr	Name of the shareholder	Details of Shares held		Encumbered shares (*)			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total	No.	As a % of total number of Encumbered shares	As a % of grand total	Number of warrants held	As a % of total number of warrants of the same Class	Number of convertible securities held	As a % of total number of convertible securities of the same class	
1.				Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	JAIRAJ BAFNA	2,035,000	24.31 %								24.31%
	ANANDRAO GOLE	1,090,000	13.02 %								13.02%
	Promoter										
	TOTAL	31,25,000	37.34%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	37.34%

(*) The term “encumbrance” has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

(d) Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Public” and holding more than 1% of the total number of shares

Sr. No.	Name of the shareholder	Details of Shares held	Encumbered shares (*)	Details of warrants	Details of convertible securities	Total shares (including
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		No. of Shares held	As a % of grand total (A) + (B) + (C)	No.	As a percenta ge	As a % of grand total (A) + (B) + (C) of sub- clause (I)(a)	Numbe r of warra nts held	As a % total numbe r of warran ts of the same class	Numbe r of conver tible securit ies held	As a % total numb er of conve rtible securi ties of the same class	underlying shares assuming full conversion of warrants and convertibl e securities) as a % of diluted share capital
(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III)* 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1.	DIPTI MUKUND JARIWALA	250,000	2.99%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.99%
2.	SHIVLAL SHAMJIBHAI	200,000	2.39%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.39%
3.	G. R. ASODARIA	200,000	2.39%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.39%
4	CHANDUBHAI JADAVBHAI	200,000	2.39%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.39%
5	MANORAMA SHUKLA	187,600	2.24%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.24%
6	SANGEETA JAIN	187,600	2.24%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.24%
7	RADHIKA H. PONKIA	150,000	1.79%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.79%
8	ISHA ILESH PONKIA	150,000	1.79%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.79%
9	DHANJIBHAI LALJIBHAI	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
10	PATEL DHANJIBHAI	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
11	SUMITA DHANJIBHAI PATEL	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
12	PATEL MOHIT DHANJIBHAI	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
13	KALATHIYA VIVEK DHANJIBHAI	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
14	RONAK ROHITKUMAR SHAH	120,000	1.43%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.43%
15	JIGAR VELJIBHAI SHETA	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
16	RAJ DEVRAJBHAI PATEL	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
17	PUSHPABEN VELJIBHAI SHETA	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
18	NITABEN DEVRAJBHAI	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
19	VELJIBHAI M SHETA HUF	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%

20	DEVRAJBHAI M PATEL HUF	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
21	BHARGAV RAVJIBHAI	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
22	VARUN NANUBHAI	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
23	HANSABEN RAVJIBHAI	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
24	VARSHABEN NANUBHAI PATEL	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
25	BHUMIKA ADARSH PATEL	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
26	ADARSH RAVJIBHAI PATEL	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
27	CHIMANBHAI JADAVBHAI KORAT	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
28	KISHOR BHANUBHAI ASODARIA	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
29	CHANDUBHAI J KORAT HUF	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
30	ASODARIA GORDHANBHAI RANCHHODBHAI HUF	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
31	SHIVLALBHAI SHAMJIBHAI POKKIA HUF	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
32	SHARMISTHABEN S POKKIA	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
33	SHARDABEN GORDHANBHAI ASODARIA	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
34	REKHABEN CHANDRAKANT BHAI KORAT	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
35	GARIMA SOMANI	100,000	1.19%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.19%
TOTAL		43,45,200	51.91 %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	51.91%

* The term 'encumbrance' has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

(e) Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 5% of the total number of shares: **NIL**

(f) There are no Equity Shares against which depository receipts have been issued.

(g) Other than the Equity Shares, there is no other class of securities issued by our Company.

6. The shareholding pattern of our Company before and after the Issue is set forth below:

Sr. No	Particulars	Pre Issue		Post Issue	
		No. of Shares	% Holding	No. of Shares	% Holding

a)	Promoters	3,125,000	37.34%	3,125,000	27.44%
b)	Promoter Group	0.00	0.00%	0	0.00%
c)	Public	5,245,000	62.66%	8,265,000	72.56%
	Total	8,370,000	100.00%	11,390,000	100.00%

7. The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No	Particulars	Pre Issue		Post Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters	3,125,000	37.34%	3,125,000	27.44%
	Mr. Anandrao B. Gole	1,090,000	13.02%	1,090,000	9.57%
	Mr. Jairaj V. Bafna	2,035,000	24.31%	2,035,000	17.87%
b)	Immediate Relatives of the Promoters	--	--	--	--
c)	Companies in which 10% or more of the share capital is held by the promoter / an immediate relative of the promoter / a firm or HUF in which the promoter or any one of their immediate relatives is a member	--	--	--	--
d)	Companies in which Company mentioned in c. above holds 10% or more of the share capital	--	--	--	--
e)	HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total	--	--	--	--
f)	All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus as “Shareholding of the promoter group”	--	--	--	--
	Total	3,125,000	37.34%	3,125,000	27.44%

8. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
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, rights 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. Under-subscription in the net issue, if any, in any category other than Market Maker portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the BSE.
18. 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.
19. 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.
20. As per RBI regulations, OCBs are not allowed to participate in this Issue.

21. 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 then Issued Capital
1.	Jairaj Bafna	2,035,000	24.31%
2.	Anandrao Gole	1,090,000	13.02%
3.	Dipti Mukund Jariwala	250,000	2.99%
4.	Shivlal Shamjibhai Ponkhia	200,000	2.39%
5.	G. R. Asodaria	200,000	2.39%
6.	Chandubhai Jadavbhai Korat	200,000	2.39%
7.	Manorama Shukla	187,600	2.24%
8.	Sangeeta Jain	187,600	2.24%
9.	Radhika H. Ponkia	150,000	1.79%
10.	Isha Ilesh Ponkia	150,000	1.79%
	Total	4,650,200	55.56%

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

Sr. No.	Name of shareholder	No. of Shares	% of then Issued Capital
1.	Jairaj Bafna	2,035,000	24.31%
2.	Anandrao Gole	1,090,000	13.02%
3.	Dipti Mukund Jariwala	250,000	2.99%
4.	Shivlal Shamjibhai Ponkhia	200,000	2.39%
5.	G. R. Asodaria	200,000	2.39%
6.	Chandubhai Jadavbhai Korat	200,000	2.39%
7.	Manorama Shukla	187,600	2.24%
8.	Sangeeta Jain	187,600	2.24%
9.	Radhika H. Ponkia	150,000	1.79%
10.	Isha Ilesh Ponkia	150,000	1.79%
Total		4,650,200	55.56%

(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 the then Issued Capital
1.	Transparent Shares & Securities Private Limited	98,960	98.96%
2.	Mrs. Neepa A. Choksi	1,010	1.01%
3.	Mr. Krishnakant J. Choksi	10	0.01%
4.	Mr. Ankur K. Choksi	10	0.01%
5.	Mrs. Raksha K. Choksi	10	0.01%
Total		100,000	100.00%

22. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
23. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
24. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
25. 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.
26. 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.
27. We have 65 shareholders as on the date of filing of the Prospectus.
28. Our Promoters and the members of our Promoter Group will not participate in this Issue.
29. Our Company has not made any public issue since its incorporation.
30. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
31. 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.
32. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended March 31, 2013, please refer to paragraph titled “*Statement of Transactions with Related*

Parties, as Restated” in the chapter titled *Financial Information*’ beginning on page number 102 of the Prospectus.

33. 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 number 82 of the Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Augmenting long term working capital and
2. Meeting Public Issue Expenses

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

Cost of Project

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Augmenting long term working capital	265.22
B.	Public Issue Expenses	36.78
Total		302.00

Means of Finance

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Proceeds from Initial Public Offer	302.00
Total		302.00

We propose to meet the requirement of funds for the stated objects of the Issue Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management and have not been appraised by any bank or financial institution or independent third party entity. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition, business or strategy, as discussed further below and also detailed under the section 'Our Business' beginning on page 73 of the Prospectus. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Variation in fund requirements and Surplus / Shortfall of Net Proceeds

We intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be financed by surplus funds, if any, available in any other object for which funds are being raised in the Issue, subject to applicable law. In the event of any shortfall in the Issue Proceeds, our Company will bridge the fund requirements from internal accruals, debt or equity financing. In the event that

estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the next Fiscal. No part of the issue proceeds will be paid as consideration to Promoter, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

DETAILED BREAK UP OF THE PROJECT COST

(A) Augmenting long term working capital

Iron & Steel and textile is a working capital intensive industry. We need additional working capital in consonance with the expanding scope of our business. The long term working capital will be required based on expansion plans our Company. The increasing operations of our Company will intun lead to the increase in the requirement of working capital. Our Company proposes to meet the incremental margin money requirement to the extent of ₹ 265.22.00 Lacs from the Net Proceeds of the Issue.

The working capital will be primarily used for maintaining the inventory for our trading. We are currently engaged in the business of trading of iron & steel and textile products and plan to add agricultural products to our portfolio.

The aforementioned amount will be used for acquisition of above products and also the additional new products for our trading business.

We will need additional working capital for the growth of our business. We have estimated our additional working capital requirements for fiscal 2014 which will be funded through the proposed public issue. The details of working capital margin requirements are as under:

(Rs. Lacs)						
Particulars	Mar-13#	No. of Days	Nov-13	No. of Days	Mar-14	No. of Days
Current Assets						
Inventory	0.00		0.00		143.84	15.00
Current Investments	17.52		0.00		0.00	
Loans and Advances & Other Current Assets	66.38		41.92		50.00	
Debtors	2.31	365.00	1,025.27	465.94	1,054.79	110.00
Total	86.21		1,067.19		1,248.63	
Current Liabilities						
Sundry Creditors	0.00		364.08	167.38	428.15	47.00
Provisions	1.78		6.10		52.50	
Other Current Liabilities	0.00		216.25		22.00	
Total	1.78		586.43		502.65	
Working Capital Gap	84.43		480.76		745.98	
Less: Existing Bank Borrowings	0.00		0.00		0.00	
Net Working Capital Requirement	84.43		480.76		745.98	
Proposed Working Capital to be funded from IPO	0.00		0.00		265.22	
Funding through Internal Accruals and Unsecured Loans	84.43		480.76		480.76	

#The calculation is not meaningful for FY 2013 since there was no trading during the FY 2013.

(B) Public Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. 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.	26.78
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	5.00
3.	Regulatory fees and other expenses	5.00
Total		36.78

Schedule of implementation

The entire Working capital will be utilised during FY 2013-14.

Deployment of Funds in the Project

Our Company has incurred the following expenditure on the project till December 31, 2013. The same has been certified by our statutory auditors V.R. Bhabhra & Co., Chartered Accountants *vide* their certificate dated January 22, 2014.

(₹ in Lacs)		
Sr. No.	Particulars	Amount
1	Public Issue Expenses	13.93
	Total	13.93

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

Details of balance fund deployment

(₹ in Lacs)				
Sr. No.	Particulars	Expenses Already Incurred up to December 31, 2013	FY 2014	Total
1	Augmenting long term working capital	0.00	265.22	265.22
2	Public Issue Expenses	13.93	22.85	36.78
	Total	13.93	288.07	302.00

Appraisal Report

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions/banks.

Bridge Financing Facilities

We have currently not raised any bridge loans against the Issue Proceeds.

Interim Use of Funds

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds. Pending utilization for the purposes described above, we intend to invest the Issue Proceeds in interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration. Such investments would be in accordance with all applicable laws and investment policies approved by our Board from time to time. Our Company confirms that pending utilization of the Issue Proceeds; it shall not use the funds for any investments in the equity markets.

Monitoring of Issue proceeds

As the size of the Issue will not exceed ₹ 50,000 Lacs, the appointment of Monitoring Agency would not be required as per Regulation 16 of the SEBI ICDR Regulations. Our Board will monitor the utilization of the proceeds of the Issue. Our Company will disclose the details of the utilization of the Issue proceeds, including interim use, under a separate head in our financial statement specifying the purpose for which such proceeds

have been utilized or otherwise disclosed as per the disclosure requirements of our listing agreements with the Stock Exchanges. The statement shall be certified by our Statutory Auditors.

Further, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Prospectus. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under clause 41 of the Listing Agreement and shall be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee. No part of the proceeds of this issue will be paid as consideration to our Promoters, Directors, Key Managerial Personnel or group concerns/companies promoted by our Promoters.

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 102, respectively, of the Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Our Business" beginning on page 73 of the Prospectus.

Quantitative Factors

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

Period	Basic and Diluted EPS (₹)	Weightage
Fiscal 2013	1.97	3
Fiscal 2012	0.65	2
Fiscal 2011	1.28	1
Weighted Average	1.42	

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 10:

Particulars	P/E at the Issue Price (₹ 10)
a. Based on 2012-13 EPS of ₹ 1.97	5.08
b. Based on weighted average EPS of ₹ 1.42	7.07

Industry P/E	
▪ Highest – Nirav Commercial	148.7
▪ Lowest – Lahoti Overseas	1.3
▪ Average - Trading	15.1

Source: Capital Market, Vol XXVIII/13, August 19, 2013 – September 01, 2013

3. Return on Net Worth

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2013	1.13	3
Year ended March 31, 2012	0.38	2
Year ended March 31, 2012	0.69	1
Weighted Average	0.81	

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 FY 2013:

A) Based on Basic and Diluted EPS of ₹ 1.97

At the Issue Price of ₹ 10: 17.21 % based on restated financial statements.

B) Based on Weighted Average EPS of ₹ 1.42

At the Issue Price of ₹ 10: 12.41 % based on restated financial statements.

5. Net Asset Value per Equity Share

- As of March 31, 2013 ₹ 174.62

- As of November 30, 2013 ₹ 23.07
- NAV per Equity Share after the Issue is ₹ 13.07
- Issue Price per Equity Share is ₹ 10.00

6. *Comparison of Accounting Ratios*

Source: Capital Market, Vol XXVIII/13, August 19, 2013 –September 01, 2013

Particulars	Face Value (₹)	EPS - TTM (₹)#	P/E Ratio	RONW (%)	NAV (₹)
Aseem Global	10	1.3	10.4	9.7	22.5
Nirav Commercial	10	4.6	148.7	2.1	247.2
Rain Commodities	2	1.6	21.8	15.2	10.7
Ushdev International	10	22.6	16.6	15.1	165.9
Agrimony Commodities Limited*	10	0.17	58.82	0.22	9.95

*Based on March 31, 2013 restated financial statements.

Standalone

The peer group identified is broadly based on the trading sector, but their scale of operations is not comparable to us.

The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is 1 times the face value.

The Issue Price of ₹ 10 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 numbers 10, 73 and 102, respectively of the Prospectus.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Agrimony Commodities Limited

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed Annexure, prepared by Agrimony Commodities Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income-tax Act, 1961 ('IT Act') and the 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 tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the current tax laws in force in India. We do not express any opinion or provide any assurance whether:

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

The contents of the annexure 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. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. We shall not be liable Agrimony Commodities Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

Thanking you,
Yours faithfully,
For **V.R. Bhabhra & Co.**
Chartered Accountants
FRN: 112861W

Mr. V.R. Bhabhra
Proprietor
Membership No: 046043
Place: Mumbai
Date: December 16, 2013

ANNEXURE

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

A) SPECIAL TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

I. Special Benefits available to our Company

There are no special tax benefits available to our Company.

II. Special Benefits available to the Shareholders of our Company

There are no special tax benefits available to the Equity Shareholders.

B) OTHER GENERAL TAX BENEFITS TO THE COMPANY AND ITS SHAREHOLDERS

The following tax benefits shall be available to the Company and its Shareholders under Direct tax law **Under the Income-Tax Act, 1961 (,the Act')**:

I. Benefits available to the Company

1. Depreciation

As per the provisions of Section 32 of the Act, the Company is eligible to claim depreciation on tangible and specified intangible assets as explained in the said section and the relevant Income Tax rules there under. In accordance with and subject to the conditions specified in Section 32(1) (iia) of the Act, the Company is entitled to an additional depreciation allowance of 20% of the cost of new machines acquired and put to use during a year.

2. Dividend Income

Dividend income, if any, received by the Company from its investment in shares of another domestic Company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961.

3. Income from Mutual Funds / Units

As per section 10(35) of the Act, the following income shall be exempt in the hands of the Company:
Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
Income received in respect of units from the Administrator of the specified undertaking; or
Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

For this purpose (i) , Administrator' mean the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) ,Specified Company' means a company as referred to in section 2(h) of the said Act.

1. Income from Long Term Capital Gain

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 would not be liable to tax in the hands of the Company.

For this purpose, ,Equity Oriented Fund' means a fund –

- (i) Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and
- (ii) Which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.

As per section 115JB, the Company will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating ,book profits' under the provisions of section 115JB of the Act and will be required to pay Minimum Alternative Tax as follows-

Book Profit	A.Y.-2012-13	A.Y.-2013-14
If book profit is less than or equal to Rs. 1 Crore	19.055%	19.055%
If book profit is more than Rs. 1 Crore	20.01%	20.01%

5. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

6. As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains as computed above that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).

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 capital gains tax if the capital gains are invested in a 'long term specified asset' within a period of 6 months after the date of such transfer. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A 'long term specified asset' means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

(i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

(ii) By the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

8. As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented 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 plus education cess plus secondary and higher education cess)

9. Preliminary Expenses

Under Section 35D of the Act, the company will be entitled to the deduction equal to 1/5th of the Preliminary expenditure of the nature specified in the said section, including expenditure incurred on present issue, such as Brokerage and other charges by way of amortization over a period of 5 successive years, subject to stipulated limits.

10. Credit for Minimum Alternate Taxes (MAT)

Under Section 115JAA (2A) of the Income Tax Act, 1961, tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Income Tax Act, 1961 for any Assessment Year commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Income Tax Act, 1961. Such MAT credit shall not be available for set-off beyond 10 years immediately succeeding the year in which the MAT credit initially arose.

II. Benefits to the Resident Shareholders of the Company under the Income-Tax Act, 1961:

1. As per section 10(34) of the Act, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003) received on the shares of the Company is exempt from tax in the hands of the shareholders.

2. Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.

3. Under Section 10(38) of the Income Tax Act, 1961, long-term capital gains arising to a shareholder on transfer of equity shares in the company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to STT. However, the long-term capital gain of a shareholder being company shall be subject to income tax computation on book profit under section 115JB of the Income Tax, 1961.

4. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

5. As per section 112 of the Act, if the shares of the company are listed on a recognized stock exchange, taxable long-term capital gains, if any, on sale of the shares of the Company (in cases not covered under section 10(38) of the Act) would be charged to tax at the rate of 20% (plus applicable surcharge plus education cess plus secondary and higher education cess) after considering indexation benefits or at 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) without indexation benefits, whichever is less.

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 capital gains tax if the capital gains are invested in a 'long-term specified asset' within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty Lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money. A 'long-term specified asset' means any bond, redeemable after three years and issued on or after the 1st day of April 2006: (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or (ii) By the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

7. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

8. Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

9. As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head —Profits and Gains of Business or Profession if income arising from taxable securities transaction is included in such income.

III. Non-Resident Indians/Non-Resident Shareholders (Other than FIIs and Foreign Venture Capital Investors)

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961, received on the shares of the Company is exempt from tax.

2. As per section 10(38) of the Act, long-term capital gains arising to the shareholders from the transfer of a long-term capital asset being an equity share in the Company, where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the shareholder.

3. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

4. 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 capital gains tax if the capital gains are invested in a 'long-term specified asset' within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty Lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A 'longterm specified asset' means any bond, redeemable after three years and issued on or after the 1st day of April 2006: (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or (ii) By the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

5. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

6. Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

7. Under section 115-C (e) of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. 'Special Provisions Relating to Certain Incomes of Non-Residents' which are as follows:

(i) As per provisions of section 115D read with section 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessional taxed at the flat rate of 10% (plus applicable surcharge plus

education cess plus secondary and higher education cess) (without indexation benefit but with protection against foreign exchange fluctuation). (ii) As per section 115F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to a Non-Resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall be exempt from income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition. (iii) As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act. (iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money. (v) As per section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provision of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XIIA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance the other provisions of the Act.

8. The tax rates and consequent taxation mentioned above shall 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 non-resident.

IV. Foreign Institutional Investors (FIIs)

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961 received on the shares of the Company is exempt from tax.

2. As per section 10(38) of the Act, long-term capital gains arising to the FIIs from the transfer of a long-term capital asset being an equity share in the Company or a unit of equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.

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

Nature of Income	Tax Rate (%)
Long Term Capital Gain	10%
Short-Term Capital Gain (Referred to Section 111A)	15%
Short-Term Capital Gain (other than under section 111A)	30%

The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.

4. 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.

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 capital gains tax if the capital gains are invested in a 'long-term specified asset' within a period of 6 months after the date of such transfer. If only part of capital gain is so reinvested, the exemption shall be allowed proportionately provided that the investment made in the long-term specified asset during any financial year does not exceed fifty Lac rupees. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the

amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A 'long-term specified asset' means any bond, redeemable after three years and issued on or after the 1st day of April 2006: (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or (ii) By the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956, and notified by the Central Government in the Official Gazette for the purposes of this section.

6. The tax rates and consequent taxation mentioned above shall 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. However, where the equity shares form a part of its stock-in-trade, any income realized in the disposition of such equity shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the equity shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realized from the disposition of equity shares is chargeable to tax in India as business income, FII's could claim, STT paid on purchase/sale of equity shares as allowable business expenditure. Business profits may be subject to applicable Tax Laws.

V. Venture Capital Companies/Funds

1. Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

VI. Mutual Funds

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

Under the Wealth Tax Act, 1957 Benefits to shareholders of the Company

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 the shares are not liable to Wealth Tax.

Tax Treaty Benefits

An investor has an option to be governed by the provisions of the Income Tax Act, 1967 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

Notes:

The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended from time to time. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and

The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Iron & Steel Industry

The Indian steel sector, one of the core industries in the country, is about a century old, with Tata Iron & Steel Co (Tata Steel) being the first integrated steel plant to be established in 1907. India is currently the world's fourth largest producer of crude steel and is expected to move ahead of its competitors (the US and Japan) in a couple of years. Steel industry mainly derives its demand from other sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes etc. Thus its intense integration with other important segments makes it a strategic focus area for the Government as well. India Ratings & Research (Ind-Ra) anticipates that growth in Indian steel sector will gain momentum in 2014 on the back of growth in other economic segments. The World Steel Association (WSA) projects that local steel demand in India would increase by 5.9 per cent and 7 per cent in 2013 and 2014 respectively.

India is the world's fourth largest producer of crude steel; the country is expected to become the second largest producer by 2015. The total market value of the steel sector in India was estimated at US\$ 55.1 billion in 2011 and is expected to touch US\$ 83 billion by 2014. Total crude and finished steel production grew at a compound annual growth rate (CAGR) of 6.6 per cent and 4.2 per cent to over FY08-11 to 69.6 million tonnes (MT) and 66 MT respectively. The Ministry of Steel has predicted finished steel production levels at 115.3 MT by FY17.

The construction and infrastructure sector is the largest consumer of steel in India, accounting for 61 per cent of total consumption in 2010. Total consumption of steel exceeded production and grew to 70.9 MT in FY12 as against 66.4 MT in FY11; over FY07-12, consumption has expanded at a CAGR of 8.7 per cent.

The Government of India has allowed 100 per cent foreign direct investment (FDI) in the sector through automatic route. In view of the changed dynamics of the sector both globally as well as domestically, the Ministry of Steel has initiated the process of drafting the new National Steel Policy. The demand for steel is expected to be robust with increasing capacity addition by the automotive industries. Further, increasing investment in infrastructure is set to raise steel demand by roughly 40 million tonnes per annum (MTPA) from FY13-17.

(Source: <http://www.ibef.org/industry/steel.aspx>)

Market Size

Latest figures by WSA has revealed that India's steel production increased by 0.9 per cent to 6.45 million tonne (MT) in June 2013, as against 6.39 MT in June 2012. Moreover, the data showed that India fared better than rest of the world in terms of average output for the first six months of 2013. India's steel production grew by 2.5 per cent to 39.63 MT in the six month period January-June 2013 as against 38.68 MT in the same period in 2012. During the same period, world crude steel production was 789.8 MT, recording an increase of 2 per cent.

(Source: <http://www.ibef.org/industry/steel.aspx>)

Production, Consumption and Growth of Steel

The table below shows the trend in production for sale, import, export and real consumption of total finished steel (alloy + non-alloy) in the country:

Year	Total Finished Steel (alloy + non-alloy) (million tonnes or mt)			
	Production for sale	Import	Export	Real Consumption
2007-08	56.08	7.03	5.08	52.13
2008-09	57.16	5.84	4.44	52.35
2009-10	60.62	7.38	3.25	59.34
2010-11**	68.62	6.66	3.64	66.42
2011-12*	73.42	6.83	4.04	70.92
Apr-Dec2012-13*	56.72	5.79	3.78	53.53
Source: JPC; * =prov. ** Revised Figures.				

(Source: Ministry of Steel, Annual Report 2012-13)

Crude steel production has shown a sustained rise since 2007-08 along with capacity. Data on crude steel production, capacity and capacity utilization during the last five years and April-December 2012-13

Crude steel production grew at a CAGR of 7.7 per cent during the last five years ending 2011-12, which incidentally marked the end of the 11th Five Year Plan also. Such growth in production was driven by capacity expansion from 59.85 mt in 2007-08 to 89.29 mtpa in 2011-12 (provisional), a growth of 9.5 per cent (on a CAGR basis) during the 11th Plan.

Production for sale of total **finished steel** at 73.42 mt during 2011-12 (provisional) as against 56.08 mt in 2007-08 at average annual growth rate of 6.9 per cent in CAGR terms during the 11th Plan while real consumption at 70.92 million tonnes during 2011-12 (provisional) grew by 8.7 per cent on CAGR basis during the 11th Plan. With growth in production for sale lagging behind real consumption growth, India has turned into a net importer of finished steel since 2007-08 with rise in imports (by 6.7 per cent on CAGR basis during the 11th Plan). Exports, on the other hand, have declined (by 5.1 per cent during the 11th Plan) to ensure greater domestic availability during this period.

(Source: Ministry of Steel, Annual Report 2012-13)

SPONGE IRON

India is also a leading producer of sponge iron with a host of coal based units, located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 75 per cent of total sponge iron production for sale in the country in 2011-12 (provisional) and which went up to 78 per cent during April-December 2012 (provisional). Capacity in sponge iron making has also increased over the years and stands at around 35 million tonnes. India has been the world's largest sponge iron producer every year since 2003. The table below shows the production of sponge iron in the country, indicating the break-up of the share of coal and gas based route of production:

Year	Production of Sponge Iron (unit: million tonnes)					
	2007-08	2008-09	2009-10	2010-11	2011-12*	2012-13* (Apr-Dec.)
Coal based	14.53	15.57	18.18	19.27	15.20	11.66
Gas based	5.84	5.52	6.15	6.07	5.17	3.23
Total	20.37	21.09	24.33	25.34	20.37	14.89

Source: JPC; *=prov

(Source: Ministry of Steel, Annual Report 2012-13)

PIG IRON

India is also an important producer of pig iron. Post-liberalisation, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 91 per cent of total production for sale of pig iron in the country in 2011-12 (provisional). The domestic availability situation of pig iron is given in the table below:

Pig Iron Domestic Availability Scenario ('000 tonnes)						
Year	2007-08	2008-09	2009-10	2010-11**	2011-12*	2012-13* (Apr-Dec.)
Production for sale	5284	6207	5884	5684	5783	4601
Import	11	8	11	9	8	10
Export	560	350	362	358	491	156
Consumption	4621	5870	5531	5296	5386	4387

Source: JPC; *=prov ** Revised Figures.

(Source: Ministry of Steel, Annual Report 2012-13)

Global Ranking of Indian Steel

World crude steel production stood at 1547.8 million tonnes during 2012, an increase of 1.2 per cent over 2011. During 2012, Chinese crude steel production reached 716.5 mt, a growth of 3.1 per cent over 2011. China remained the largest crude steel producer in the world, accounting for 72 per cent of Asian and 46 per cent of world crude steel production during 2012. India was the 4th largest producer during this period and recorded a growth of 4.6 per cent over 2011.

World Crude Steel Production in 2012* (mt)			
Rank	Country	Qty (mt)	% change over 2011
1	China	716.5	3.1
2	Japan	107.2	-0.4
3	United States	88.6	2.5
4	India	76.97	4.6
5	Russia	70.6	2.5
6	South Korea	69.3	1.2
7	Germany	42.7	-3.6
8	Turkey	35.9	5.3
9	Brazil	34.7	-1.4
10	Ukraine	32.90	-6.8
	Top 10	1275.4	2.1
	World	1547.8	1.2
Source: WSA, JPC *= Provisional			

(Source: Ministry of Steel, Annual Report 2012-13)

Steel: Key Facts

Indian Steel Scene: April – December 2012-13*		
Total Finished Steel (alloy+non-alloy)	Qty (million tonne)	% change over same period of last year
Production for sale	56.72	3.6
Import	5.79	16.2
Export	3.78	24.0
Real Consumption	53.53	3.7
Crude Steel		
Production	58.33	5.8
Capacity Utilization (%)	85	-
Source: JPC; * = Provisional		

Besides achieving the rank of the 4th largest global crude steel producer in 2012 (provisional), India has also made a mark globally in the production of sponge iron/direct reduced iron (DRI). Courtesy a mushrooming growth of coal-based sponge iron units in key mineral-rich pockets of the country, domestic production of sponge iron increased rapidly, enabling the country to achieve and maintain the number one position in the global market. With a series of mega projects, either being implemented or at the proposal stage, which once operational will re-write the structure of the steel industry and its dynamics; and a domestic economy carrying forward the reform process further, the future of the Indian steel industry is definitely optimistic.

(Source: Ministry of Steel, Annual Report 2012-13)

TRENDS AND DEVELOPMENTS IN STEEL SECTOR

- India continues to remain the 4th largest producer of crude steel in the world as against the 8th position in 2003 and is expected to become the 2nd largest producer of crude steel soon.
- India remains to be the world's largest producer of direct reduced iron (DRI) or sponge iron.
- The per capita steel consumption has risen from 38 kgs in 2005-06 to 59 kgs in 2011-12.
- Capacity for crude steel production expanded from 51.17 million tonnes per annum (mtpa) in 2005-06 to 89.29 mtpa in 2011-12.
- Crude steel production grew at 8% annually [Compounded Annual Growth Rate (CAGR)] from 46.46 million tonnes in 2005-06 to 73.79 million tonnes in 2011-12.
- Production for sale of finished steel stood at 73.42 million tonnes during 2011-12 as against 46.57 million tonnes in 2005-06, an average annual CAGR growth of 7.9%.
- Real Consumption of finished steel has grown at a CAGR of 9.4% during the last six years.
- Export of finished steel during 2011-12 stood at 4.04 million tonnes while imports during 2011-12 stood at 6.83 million tonnes.

During April-December 2012, the following is the industry scenario as compared to same period of last year:

- Production of crude steel during April - December 2012 was at 58.33 million tonnes, a growth of 5.8% compared to April - December 2011. The Main Producers produced 18.34 million tonnes during this period, which was a growth of 4.5% compared to last year. The Major Producers produced 13.86 million tonnes during this period, which was a growth of 11.5% compared to last year. The rest i.e. 26.13 million tonnes was the contribution of the Other Producers, which was a growth of 3.9% compared to last year.
- Pig iron production for sale in April - December 2012 was 4.601 million tonnes (a growth of 5% compared to last year), after accounting for own consumption/IPT. The Main Producers accounted for approximately 11% of the same, the rest (89%) being the share of the Majors and Other Producers.
- In case of total finished steel (alloy + non-alloy) during April – December 2012:
 - Production for sale stood at 56.72 million tonnes, a growth of 3.6% compared to last year.
 - Exports stood at 3.78 million tonnes, a growth of 24% compared to last year.
 - Imports stood at 5.79 mt, a growth of 16.2% compared to last year.
 - India remained a net importer of steel.
 - Real consumption stood at 53.53 mt, a growth of 3.7% compared to last year.

(Source: Ministry of Steel, Annual Report 2012-13)

Opportunities for growth of Iron and Steel in Private Sector

The New Industrial Policy Regime

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

The Growth Profile

(i) Steel

The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh greenfield projects in different states of the country.

Crude steel capacity was 89 mt in 2011-12 (prov) and India, the 4th largest producer of crude steel in the world, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. The country is expected to become the 2nd largest producer of crude steel in the world by 2015-16, provided all requirements for creation of fresh capacity are adequately met.

(ii) Pig Iron

India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 91% of total production for sale of pig iron in the country in 2011-12 (provisional). The production of pig iron has increased from 1.6 mt in 1991-92 to 5.78 mt in 2011-12 (provisional).

(iii) Sponge Iron

India is the world's largest producer of sponge iron with a host of coal based units, located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 76% of total sponge iron production in the country (20.37 mt in 2011-12; prov.). Capacity in sponge iron making too has increased over the years and stands at around 35 mt.

(Source: Ministry of Steel, Annual Report 2012-13)

Imports

- Iron & steel are freely importable as per the extant policy.
- Last five year's import of total finished steel (alloy + non alloy) is given below:-

Indian steel industry : Imports (in million tonnes)					
Category	2007-08	2008-09	2009-10	2010-11	2011-12*
Total Finished Steel (alloy + non alloy)	7.03	5.84	7.38	6.66	6.83
Source: Joint Plant Committee; *provisional					

Exports

- Iron & steel are freely exportable.
- Advance Licensing Scheme allows duty free import of raw materials for exports. Duty Entitlement Pass Book Scheme (DEPB) was introduced to facilitate exports. Under this scheme exporters on the basis of notified entitlement rates, are granted due credits which would entitle them to import duty free goods. The DEPB benefit on export of various categories of steel items scheme is currently applicable for steel exports.
- Last five year's export of total finished steel (alloy + non alloy) is given below:-

Indian steel industry : Exports (in million tonnes)					
Category	2007-08	2008-09	2009-10	2010-11	2011-12*
Total Finished Steel (alloy + non alloy)	5.08	4.44	3.25	3.64	4.04
Source: Joint Plant Committee; *provisional					

(Source: Ministry of Steel, Annual Report 2012-13)

Road Ahead

The market of Steel Service Centres (SSC) is at a very nascent stage in India. It is expected to grow at a compound annual growth rate (CAGR) of 18 per cent during FY 2017-18 as steel makers expand capacities and more and more customers look for customised products.

Domestic steel market is into an evolutionary stage wherein it is shifting from simply selling steel to selling steel solutions; thanks to growth in the automobile and white goods segments, and entry of multinational companies (MNCs). Owing to immense competition in the automotive industry, white goods, fabricators and other end-use segments (infrastructure, construction, electrical, pipes and tubes, and engineering equipment-related industries), and the need of curbing inventory cost, executing strategies like 'just-in-time (JIT)' is likely to boost this service center concept to grow rapidly in the next 5-10 years.

(Source: <http://www.ibef.org/industry/steel.aspx>)

INDIAN TEXTILE INDUSTRY

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14% to industrial production, 4 percent to the GDP, and 17% to the country's export earnings. It provides direct employment to over 35 million people. The Textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

The Indian textiles industry is extremely varied, with the hand-spun and hand woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms/hosiery and knitting sectors form the largest section of the Textiles

(Source: *Annual Report 2011 – 2012, Ministry of Textiles, GOI*)

India earns about 27 per cent of its total foreign exchange through textile exports. The textile industry contributes nearly 14 per cent of the total industrial production of the country. Fabric production rose to 60,996 million sq meters in FY 2011 from 52,665 million sq meters in FY 2007.

Production of raw cotton grew to 32.5 million bales in FY11 from 28 million bales in FY07, while production of man-made fibre rose to 1,281 million kgs in FY11 from 1,139 million kgs in FY07. Production of yarn grew to 6,233 million kgs in FY11 from 5,183 million kgs in FY07. India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020. Exports of textile grew to US\$ 26.8 billion in FY10 from US\$ 17.6 billion in FY06. India's textile trade is dominated by exports with a CAGR of 6.3 per cent during the same period.

(Source: http://www.ibef.org/artdispview.aspx?art_id=31705&cat_id=123&in=73)

Current Industry Structure and Future Industry Structure

The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

THE DECENTRALISED POWERLOOM SECTOR

The decentralised powerloom sector is one of the most important segments of the Textile Industry in terms of fabric production and employment generation. It provides employment to 57.44 Lakh persons and contributes 62 percent to total cloth production in the Country. 60% of the fabrics produced in the powerloom sector is man-made. More than 60% of fabric meant for export is also sourced from powerloom sector. The readymade garments and home textile sectors are heavily dependent on the powerloom sector to meet their fabric requirement. There are approximately 5.19 Lakh Powerloom Units with 22.98 Lakh Powerlooms as on 31.08.2011.

The estimated number of powerlooms in the decentralised sector in the country till 31.08.2011 was 22,98,050. The year-wise growth in the number of looms installed is given in table below:

Year	No. of powerlooms	Growth percentage
2006-07	19,90,308	-
2007-08	21,06,370	5.8%
2008-09	22,05,352	4.7%
2009-10	22,46,474	1.9%
2010-11	22,82,744	1.61%
2011-12 (up to Aug, 2011)	22,98,050	0.67%

The details of total cloth production and production by powerloom sector during the last five years are given in table below:

Year	Total production	Production on Powerloom	%age of powerloom over total cloth production	%age increase over previous year	
				Total Production	Powerloom production
2006-07	53,389	32,879	61.78%	-	-
2007-08	56,025	34,725	61.98%	4.94%	5.61%
2008-09	54,966	33,648	61.22%	-1.89%	-3.10%
2009-10 (P)	60,333	36,997	61.29%	9.76%	9.95%
2010-11 (P)	61,808	37,571	60.73%	2.55%	1.55%
2011-12 (P) April - Aug	24,355	15,055	61.81%	--	--

Item-wise Production of Cloth in Decentralized Power loom Sector:

Item	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 (P)	2011-12 (April-Oct)
Cotton	7361	8821	9647	9923	9621	10128	11852	6729
Blended	4526	4632	5025	4918	4764	5487	5853	3554
100% Non Cotton	16438	17173	18207	19884	19263	21382	20224	11172
Total	28325	30626	32879	34725	33648	36997	37929	21454

In order to achieve the overall development of the powerloom sector, Govt. has announced the Integrated Scheme for Powerloom Sector Development during 2007 – 08. The Scheme has got the following components:-

- Marketing Development programme for Powerloom Sector

- Exposure visit of Powerloom Weavers to other Clusters
- Survey of the Powerloom Sector
- Powerloom Cluster Development
- Development and Upgradation of skills (HRD)

Marketing Development programme has a vital role in powerloom sector. Therefore, an activity for promotion and marketing of powerloom products through different mechanism such as organization of exhibitions and buyer seller meets, Seminar / Workshops, publicity & awareness programmes etc. are being implemented in association with Powerloom Development & Export Promotion Council (PDEXCIL) and other agencies. During 11th Plan (2007-08 to Oct.2011), total 44 BSM have been conducted and Govt. has released fund amounting Rs.2.66 Crore.

(Source: Annual Report 2011 – 2012, Ministry of Textiles, GOI)

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17), envisages India's exports of Textiles and Clothing at US\$ 32.35 billion by the end of XIth Five Year plan, as against of US\$ 55 billion envisaged in the Report of Working Group on Textiles for the XIth Five Year Plan and based on historic growth rate of 10% (CAGR), a business as usual approach, will result in exports of US\$ 52 billion by the end of XI Plan. An export target of US\$ 65 billion and creation of 25 million additional jobs has been proposed with a CAGR of 15% during the XII Plan. At current prices the Indian textiles industry is pegged at US\$ 55 billion, 64% of which services domestic demand. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 35 million people and accounts for nearly 12% share of the country's total exports basket.

Milestones

- Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota stood discontinued.
- India's Textiles & Clothing (T&C) exports registered a robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$19.15 billion recording an increase of 9.28% over the previous year and reached US\$ 22.15 billion in 2007-08 denoting an increase of 15.7%; but declined by over 5% in 2008-09. Exports of Textiles & Clothing grew from US\$ 21.22 billion in 2008-09 to US\$ 22.41 billion in 2009-10 and has touched US\$ 26.82 billion in 2010-11. In the current financial year i.e. 2011-12, exports of textiles and clothing, as per latest available data covering April-October, 2011, has grown by 28.94% over the corresponding period of 2010-11.
- During the year 2010-11 Readymade Garments account for almost 40% of the total textiles exports. Apparel and cotton textiles products together contribute nearly 70% of the total textiles exports.
- The exports basket comprise a wide range of items including readymade garments, cotton textiles, handloom textiles, man-made fibre textiles, wool and woolen products, silk, jute and handicrafts including carpets.
- India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-thirds of India's textiles exports. The other major export destinations are China, U.A.E., Sri Lanka, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, Pakistan, Brazil, Hong Kong, Canada, Egypt etc.
- As per the latest available export data, the salient features of the overall textile exports for the period April, 2011 to October, 2011(P) are as follows:

Overall Exports

- The total textile exports during April 2011 to October 2011 (P) were valued at Rs. 78034.13 crore as against Rs. 60594.53 crore during the corresponding period of financial year 2010-11, registering an increase of 28.78 percent in rupee terms.

- In US dollar terms, the same was valued at US\$17053.71 million as against US\$ 13225.72 million during the corresponding period of previous financial year registering an increase of 28.94 percent in US\$ terms.
- However, the share of textiles in India's total exports of all commodities has declined to 10.03 percent from 10.74 per cent during April- October, 2011 as against April- October, 2010.

Composition of Textiles Export

- In rupee / US\$ terms (during 2010-11), exports of readymade garments witnessed the highest export share of 39.61 percent, followed by Cotton Textiles (31.16), and Man-Made Textiles (17.31).

(Source: Annual Report 2011 – 2012, Ministry of Textiles, GOI)

India Advantage

	INDIA	OTHER COUNTRIES
Capacity Utilization	High	Low
Raw material self-sufficiency	High	Low
Level of Integration	High	Low
Dependence on Exports	Low	High
Textile Industry	Fragmented	Consolidated
Textile Exports	Cotton-Based	Non Cotton Based
Per capita fibre consumption	Low	High

Growth Drivers

Domestic Growth Drivers

- Growth in GDP Rate
- Increase in Working Population
- Increase in Young Population
- Greater Disposable Income
- Usage of newer Credit facilities
- Growth in Organized Retail
- Change in Lifestyle
- Increase in Hotels and Tourism
- Hospitals and other Healthcare Products (diapers etc)
- Auto Textiles
- Sports Shoes and Shoe Industry
- Packaging Items

Global Factors

- Need for Vertically Integrated Players
- Quota Regime on China
- Rising Outsourcing Budgets of Textile Players
- Increase in Specialty Stores
- Rising Inflation and Uncompetitive manufacturing in the Developed world
- Indian Companies have design studios abroad
- Dismantling of spinning and weaving capacities in USA, Europe and Japan
- Better Corporate Governance of Indian Corporates
- Chances of Removal of Subsidies on Cotton Production in USA

The Road Ahead

Considering the overwhelming response to the scheme and opportunities for growth of the textiles industry and in view of the consistent requests from State Governments, industry groups and entrepreneurs for setting up of new textile parks, a note was submitted by the Ministry of Textiles for consideration of the Cabinet Committee on Economic Affairs for approval of more Textile Parks. The CCEA has approved the proposal for sanction of additional parks under SITP to utilize the balance Rs 200 crore (US\$ 35.60 million) in the Eleventh Five Year Plan and number of projects be limited in such a way that committed liability of the new parks does not exceed

Rs 200 crore (US\$ 35.60 million) in the Twelfth Five Year Plan. The CCEA also approved the revised guidelines enabling a two tier scrutiny and approval mechanism. The proposals received for new parks have been examined by the Project Scrutiny Committee (PSC) comprising representatives from Ministry of Finance, Planning Commission, Ministry of Commerce & Industry, and Ministry of Environment & Forest. After examination by PSC, 21 new Textile Park proposals have been approved by the Project Approval Committee under the Chairmanship of Minister of Textiles with Secretary (T) and JS concerned as members.

(Source: http://www.ibef.org/artdispview.aspx?art_id=31705&cat_id=123&in=73)

AGRICULTURE SECTOR IN INDIA

Agriculture is the dominant sector of Indian economy, which determines the growth and sustainability. About 65 per cent of the population still relies on agriculture for employment and livelihood. India is the first in the world in the production of milk, pulses, jute and jute-like fibres; second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production; and is a leading producer of spices and plantation crops as well as livestock, fisheries and poultry.

In the past few years, Indian agriculture has done remarkably well in terms of output growth. The 11th Five Year Plan (2007-12) witnessed an average annual growth of 3.6 per cent in the gross domestic product (GDP) from agriculture and allied sector. The growth target for agriculture in the 12th Five Year Plan is estimated to be 4 per cent. Indian agriculture is benefitting huge from rising external demand and the sector's wider participation in the global economy.

In order to boost investments in the sector, the Government of India has allowed 100 per cent foreign direct investment (FDI) under automatic route in storage and warehousing including cold storages. The government has also allowed 100 per cent FDI under the automatic route for the development of seeds.

Department of Agriculture and Cooperation under the Ministry of Agriculture is the nodal organisation responsible for development of the agriculture sector in India. The organisation is responsible for formulation and implementation of national policies and programmes aimed at achieving rapid agricultural growth through optimum utilisation of land, water, soil and plant resources of the country.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

Major Developments and Investments

The total planned expenditure for the Ministry of Agriculture has increased considerably to Rs 27,049 crore (US\$ 4.98 billion) in the Union Budget 2013-14. The outlay is 22 per cent over the revised estimates of the year 2012-13. Further, the amount of Rs 1,000 crore (US\$ 184.32 million) has been allocated to continue support to the new green revolution in Eastern States like Assam, Bihar, Chhattisgarh and West Bengal to increase the rice production. An outlay of Rs 500 crore (US\$ 92.17 million) is also proposed for starting a programme of crop diversification that would promote technological innovation and encourage farmers to choose crop alternatives in the original green revolution States.

Under the Rashtriya Krishi Vikas Yojana, an outlay of Rs 9954 crore (US\$ 1.83 billion) and Rs 2250 crore (US\$ 414.64 million) have been proposed for mobilizing higher investment in agriculture and the National Food Security Mission respectively.

A memorandum of understanding (MoU) has been signed between Indian Council of Agricultural Research (ICAR) and Ramakrishna Mission Vivekananda University (RKMVU) for establishment of 632nd Krishi Vigyan Kendra (KVK) in South 24 Parganas district, West Bengal.

The ICAR and the World Bank have been implementing a joint National Agricultural Innovation Project (NAIP) in the country to accelerate the collaborative development and application of agricultural innovations. Till date, an amount of Rs 727.93 crore (US\$ 134.13 million) has been released by the World Bank for the project.

The Chennai based Indian Overseas Bank (IOB) keeping its thrust on agricultural lending under priority sector area has proposed to open 15 special agricultural credit branches in Karnataka and Maharashtra. The bank intends to lend about Rs 500 crore (US\$ 92.17 million) through these branches.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

Road Ahead

The Indian agriculture sector is now moving towards another green revolution. The transformations in the sector are being induced by factors like newfound interest of the organised sector, new and improved technologies, mechanised farming, rapid growth of contract farming, easy credit facilities, etc. The Ministry of Agriculture is promoting a new strategy for farm mechanization through its various schemes and programmes. A dedicated Sub-Mission on Agricultural Mechanization has been proposed for the 12th Plan which includes custom-hiring facilities for agricultural machinery as one of its major components.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page number 10 of the Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 10, 102 and 119, respectively, of the Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of the Prospectus, all references to "we", "us", "our" and "our Company" are to Agrimony Commodities Limited and Group Entities as the case may be.

Overview

Our Company was incorporated as 'Sahjanand Enterprises Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated August 6, 1991 issued by the Registrar of Companies, Maharashtra. Further, the name of our Company was changed to 'Transparent Commodities Private Limited' pursuant to a Fresh Certificate of Incorporation dated March 17, 2011 issued by the Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Transparent Commodities Limited' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. The name of our Company was further changed to 'Agrimony Commodities Limited' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra.

We are currently engaged in the business of trading of iron & steel products, suitings & shirtings and other dress materials and agriculture products. We are a multi-product trading company with a diverse product portfolio. We currently trade into following category of products:

- i) Iron & Steel Products
- ii) Textile Products

We are currently serving the corporate and other clients. Our trading customers include Valrack Modular Sysyems Private Limited, Jay Traders and Rose Impex.

Our Company was initially engaged in the business of imports and exports since 1991 for a period of 19 years. Our Company subsequent to a change in management in 2010 discontinued the import export business and commenced business of investment.

Our current promoters are Mr. Jairaj V. Bafna and Mr. Anandrao B. Gole. Our Company was initially promoted by Mr. Ashwin Kumar and Mr. Mukesh Kumar in the financial year 1991-1992 with the object of trading in metal and agriculture products. Mr. Ankur Choksi, Mr. Krishnakant Choksi and their group company Transparent Shares and Securities Private Limited acquired our Company in May 2010. Our current promoters acquired our Company in August 2013. We started the trading activities under our current management in September 2013.

Further we are in the process of adding the new products and also enhancing the portfolio within the existing categories.

The Company has plans to engage in buying and selling of various Agricultural as well as Non - Agricultural Commodities through Local Mandis and Markets and/or Exchanges either for arbitrage and/or investment as and when there is a suitable opportunity.

Our Company is also offering the commodity broking services through our subsidiary company Advantage Commodities Private Limited (ACPL). ACPL is engaged in the business of commodities broking through its membership of MCX. Our Company acquired shares of ACPL on August 13, 2013. ACPL has applied to MCX

for approval for change in shareholding pattern amounting to change in management. The application is currently pending with MCX.

Our Company has raised ₹ 827.00 Lacs by issuing 82,70,000 Equity Shares to Promoters, Friends and Other Strategic Investors. We intend to utilise the above amount on the expansion of our Company including the following:

- a. Expansion of our Commodity Broking Business
- b. Brand Building exercise
- c. Strengthen the Management Team
- d. Other Corporate Purposes

Location

We operate from the following premises:

Type of Facility	Location
Registered Office	701, 7 th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra

Our Competitive Strengths

1. Experienced and Qualified management team

Our Company is managed by a team of competent personnel having knowledge of core aspects of our Business. Our Managing Director viz. Mr. Anandrao B. Gole and our Promoter Director, Mr. Jairaj V. Bafna both guide our Company and are well assisted by our Key Managerial Persons who help us to build relations with our customers and have also facilitated us to entrench with new customers. Mr. Anandrao B. Gole has been engaged in the business of trading in agriculture products and is having network with traders and agriculturalists. .

2. Diversified Product Range

We are a multi-product trading company with a diverse product portfolio including Iron & Steel Products, Textile Products and Agriculture Products.

Our Business Strategy

1. Increase geographical presence

We are currently located in Mumbai in Maharashtra. Going forward we plan to establish our presence in the other regions. Our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our client base and revenues.

2. Increasing our Product Portfolio

We continuously strive to add more and more products to our portfolio based on our own market assessment of demand and supply position of these products.

3. Focus on Increase in Volume of Sales

As part of our growth strategy we intend to focus on increase in volume of sales. As a trading company we want to focus on larger volume of sales and further addition of new products in our portfolio to achieve our targeted sales.

Developing Commodity Broking Business

As part of our growth strategy we intend to focus on commodity broking services through our subsidiary company Advantage Commodities Private Limited (ACPL). ACPL is engaged in the business of commodities broking through its membership of MCX. This will help in utilising our existing client base for broking.

Our Major Products, Services and Processes

Our current portfolio of iron & steel products currently being traded by our Company includes the following:

- i) Iron & Steel Products – SS Pipes
- ii) Textile Products – Dress Materials, Suitings & Shirtings

We operate as an intermediary to our various customers. We are currently serving the corporate and other clients. We have till November 30, 2013 procured our main suppliers include Rak Enterproises, Shree Bajrang Traders, Polestar Trading Private Limited and Kamlesh Mental India. We procure orders from our clients and accordingly and supply the material to customers.

Proposed Products

We are in the process of adding the new products including agricultural products into our trading products portfolio. Our Products decision is based on our own market research, demand scenario and availability of suitable opportunity.

Plant and Machinery

Since we are a trading company, we do not own any major plant and machinery.

Collaborations

We have not entered into any technical or other collaboration.

Infrastructure Facilities

Manpower

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on the date of the Prospectus:

Sr. No.	Category	Total
1	Senior Management	4
2	Middle Management	3
3	Others	2
	Total	9

Logistics

We facilitate door-to-door delivery service to our customers through third party transport service providers. We outsource our transportation to transportation agencies.

Past Production Figures Industry-wise

The iron & steel industry is highly fragmented and is dominated by large number of traders and manufacturers. For details of the industry data please refer to section titles “Our Industry” beginning on page 62 of the Prospectus.

Competition

We face the competition in our business from other existing traders and manufacturers of Products we trade. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer a broader range of products. 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 price of the services and products.

Approach to Marketing and Marketing Set-up

Our top management and key executives enjoy the confidence of several corporate and retail clients and we currently market only to a selected setup of clients. We interact with our customers to get the feedback on the quality of products and services and improve the same as well.

Future Prospects

The future plans of our Company are in line with the way the industry is thinking and planning ahead. Our Company is trying to increase the geographical areas of operations to cater to the growing market.

Capacity and Capacity Utilization

Our Company is engaged in the trading business and hence capacity and capacity utilisation is not applicable to us.

Export Possibilities & Export Obligation

Currently, we do not have any outstanding export obligations.

Property

The following table sets forth the location and other details of the leasehold properties of our Company:

Sr. No	Description of Property	Name of Lessor	Agreement Date, Lease period	Amount	Purpose
1.	701, 7 th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra 300 Sq.Ft.	Sachin Karia	September 18, 2013 For a period of three years from August 2013	₹ 36,000 per month with an increase of 5% per annum ₹ 200,000 Security Deposit	Registered Office

Intellectual Property

Our Company has applied for registration of Trademark “” in the name of the Company vide its application dated November 11, 2013.

Insurance

Our Company has not taken any insurance cover at present. The Company will work towards taking insurance coverage to such amounts that will be sufficient to cover all normal risks associated with its operations and is in accordance with the industry standard.

KEY REGULATIONS AND POLICIES

There are no specific laws in India governing the industry in which we operate in India. The significant legislations and regulations that generally govern our industry in India are acts such as the Income Tax Act, 1961, Service Tax Rules, 1994, State Shops and Establishment Act, State Tax on Professions, Trades, Callings and Employment Act, 1975 and such other acts as applicable. Taxation statutes such as the Income Tax Act, 1961, Central Sales Tax Act, 1956 and applicable local sales tax statutes, Sales Tax, VAT and labour laws apply to us as they do to any other Indian company. For details of government approvals obtained by us, please refer to the chapter titled “Government and Other Approvals” beginning on page number 127 of the Prospectus.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as ‘Sahjanand Enterprises Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated August 6, 1991 issued by the Registrar of Companies, Maharashtra. Further, the name of our Company was changed to ‘Transparent Commodities Private Limited’ pursuant to a Fresh Certificate of Incorporation dated March 17, 2011 issued by the Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Transparent Commodities Limited’ pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. The name of our Company was further changed to ‘Agrimony Commodities Limited’ pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra. Our corporate identification number is U74999MH1991PLC062821

We are currently engaged in the business of trading of iron & steel, fabric including suiting and shirtings and other dress materials.

Our current promoters are Mr. Jairaj V. Bafna and Mr. Anandrao B. Gole. Our Company was initially promoted by Mr. Ashwin Kumar and Mr. Mukesh Kumar in the financial year 1991-1992 with the object of trading in metal and agriculture products. Mr. Ankur Choksi, Mr. Krishnakant Choksi and their group company Transparent Shares and Securities Private Limited acquired our Company in May 2010. Our current promoters acquired our Company in August 2013.

Our Company was initially engaged in the business of imports and exports since 1991 for a period of 19 years. Our Company subsequent to a change in management in 2010 discontinued the import export business and commenced business of investment. We started the trading activities under our current management in September 2013.

Our Company under the current management also acquired majority stake in Advantage Commodities Private Limited by virtue of which it became a subsidiary of our Company. Advantage Commodities Private Limited is a member of the Multi Commodity Exchange of India Limited (MCX) and offer Investment Products to its clients.

For further details of our Company’s activities, services and the growth of our Company, please refer to the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page numbers 73 and 119, respectively, of the Prospectus.

The total number of members of our Company as on the date of filing of the Prospectus is 65. For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page number 36 of the Prospectus.

Changes in our Registered Office:

Our Company’s Registered Office is currently situated at 701, 7th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra. Details of changes in the address of the Registered Office of our Company are set forth as under:

From	To	Effective Date	Reason
142, Panjrapole Main Road, Near Suryanarayan Temple, Mumbai-400004	B-506, Priti Sagar, New Link Road, Borivali (W), Mumbai - 400091	November 11, 2009	For administrative convenience.
B-506, Priti Sagar, New Link Road, Borivali (W), Mumbai – 400091	142, Panjrapole Main Road, Near Suryanarayan Temple, Mumbai-400004	December 10, 2009	For administrative convenience.
142, Panjrapole Main Road, Near Suryanarayan Temple, Mumbai-400004	Vrusti, Ground Floor, 20 Swastik Society, V.M. Road, Near Mithibai College, JVPD Scheme, Vile Parle, Mumbai - 400056, Maharashtra	May 5, 2010	For administrative convenience.

From	To	Effective Date	Reason
Vrusti, Ground Floor, 20 Swastik Society, V.M. Road, Near Mithibai College, JVPD Scheme, Vile Parle, Mumbai - 400056, Maharashtra	701, 7 th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra	September 10, 2013	For administrative convenience.

Main Objects of our 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 main objects of our Company are:

1. To carry out the business as traders, brokers, sub-brokers, market makers, arbitrageurs, investors and/or hedgers in agricultural products, metals including precious metals, diamonds, petroleum and energy products and all other commodities and commodity securities, in spot market and in futures and all kinds of derivatives of all the above commodities and commodity securities and no money circulating scheme will be carried by the Company.
2. To carry on business as members and participate in trading, settlement and other securities activities of Public and /or Private commodity exchange/s (including national commodity exchanges) facilitating, for itself for clients, trades and clearing/ settlement of traders in spots, in futures and in derivatives of all the above commodities permitted under the laws of India.

Amendments to the MoA of our Company since Incorporation:

Since incorporation, the following amendments have been made to the MoA of our Company:

Date	Changes
August 16, 2010	<p>Clause III (A) of Memorandum of the Association of the Company was altered by deleting the then existing Sub clauses 1 and 2 and by inserting new Sub- Clauses 1 and 2 in Clause III A of Memorandum of Association as under:</p> <ol style="list-style-type: none"> 1. To carry out the business as traders, brokers, sub-brokers, market makers, arbitrageurs, investors and/or hedgers in agricultural products, metals including precious metals, diamonds, petroleum and energy products and all other commodities and commodity securities, in spot market and in futures and all kinds of derivatives of all the above commodities and commodity securities and no money circulating scheme will be carried by the Company. 2. To carry on business as members and participate in trading, settlement and other securities activities of Public and /or Private commodity exchange/s (including national commodity exchanges) facilitating, for itself for clients, trades and clearing/ settlement of traders in spots, in futures and in derivatives of all the above commodities permitted under the laws of India.
March 17, 2011	The name of our Company was changed to ' <i>Transparent Commodities Private Limited</i> ' pursuant to a Fresh Certificate of Incorporation dated March 17, 2011 issued by the Registrar of Companies, Maharashtra.
May 25, 2012	Increased in authorised capital from ₹ 10,00,000 consisting of 1,00,000 Equity shares of ₹ 10 each to ₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each
July 17, 2012	Increased in authorised capital from ₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each to ₹ 12,50,00,000 consisting of

	1,25,00,000 Equity shares of ₹ 10 each
August 7, 2013	The Company was converted into a public limited company and the name of our Company was changed to ' <i>Transparent Commodities Limited</i> ' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra.
August 7, 2013	The name of our Company was further was changed to ' <i>Agrimony Commodities Limited</i> ' pursuant to a Fresh Certificate of Incorporation dated August 7, 2013 issued by the Registrar of Companies, Maharashtra.

Key Events and Milestones:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Financial Year	Event
August 1991	Incorporation
May 2010	Change in Management to Mr. Ankur Choksi, Mr. Krishnakant Choksi
March 2011	Name of the Company changed from Sahjanand Enterprises Private Limited to Transparent Commodities Private Limited
August 2013	Name of the Company changed from Transparent Commodities Private Limited to Transparent Commodities Limited
August 2013	Change in Management by our current promoters
August 2013	Acquisition of Subsidiary, Advantage Commodities Private Limited
August 2013	Name of the Company changed from Transparent Commodities Limited to Agrimony Commodities Limited

Subsidiaries and Holding Company:

Our Company is not a subsidiary of any company.

We have a subsidiary company, Advantage Commodities Private Limited which is a member of the Multi Commodity Exchange of India Limited (MCX) and offer Investment Products to its clients.

Other declarations and disclosures

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI.

Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

Fund raising through equity or debt:

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled '*Financial Information*' and '*Capital Structure*' beginning on page number 102 and 36, respectively, of the Prospectus.

Revaluation of assets:

Our Company has not revalued its assets since its incorporation.

Changes in the activities of Our Company having a material effect

Other than the above, there has been no change in the activities being carried out by our Company during the

preceding five years from the date of the Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Injunctions or Restraining Orders:

Our Company is not operating under any injunction or restraining order.

Mergers and acquisitions in the history of our Company

There has been no merger or acquisition of businesses or undertakings in the history of our Company.

Defaults or Rescheduling of borrowings with financial institutions/banks:

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

Strikes and lock-outs:

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of the Prospectus, our employees are not unionized.

Time and cost overruns in setting up projects:

As on the date of the Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

Shareholders' agreement:

Our Company does not have any subsisting shareholders' agreement as on the date of the Prospectus.

Other Agreements:

Our Company does not have any other agreement as on the date of the Prospectus.

Strategic Partners:

Our Company does not have any strategic partner(s) as on the date of the Prospectus.

Financial Partners:

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

OUR MANAGEMENT

As per the Articles of Association of our Company, we are required to have not less than three (3) Directors and not more than twelve (12) Directors on its Board. As on date of the Prospectus, our Board consist of 5 (five) Directors. Mr. Anandrao B. Gole is the Managing Director of our Company. Further, in compliance with the requirements of Clause 52 of the SME Equity Listing Agreement, our Board consist of 3 (three) independent Directors.

The Board of Directors of our Company

The following table sets forth certain details regarding the members of our Company's Board as on the date of the Prospectus:

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	Anandrao B. Gole S/o Mr. Balkrishna Gole <i>Designation:</i> Managing Director <i>(Executive and Non-Independent)</i> <i>Address:</i> 302, Sai Sneha Bldg No. 10, Saiwadi, Andheri (E), Mumbai - 400069, Maharashtra <i>Age:</i> 48 years <i>Occupation:</i> Business <i>DIN:</i> 06668955	<i>Date of appointment:</i> Appointed as Managing Director with effect from October 1, 2013 <i>Term:</i> For a period of 5 years with effect from October 1, 2013.	<i>Public Limited Companies:</i> • NIL. <i>Private Limited Companies:</i> • NIL Designated Director of Mumbai District Central Co-operative Bank Limited. Category: Representative, economically weaker section
2.	Jairaj V. Bafna S/o Mr. Vinod Bafna <i>Designation:</i> Director <i>(Non Executive and Non Independent)</i> <i>Address:</i> 310/3, Rajani Mahal, Opp. A.C. Market, 89-95, Tardeo Road, Mumbai - 400034, Maharashtra <i>Nationality:</i> Indian <i>Age:</i> 28 years <i>Occupation:</i> Business <i>DIN:</i> 06637142	<i>Date of appointment:</i> Appointed as Director with effect from July 16, 2013 <i>Term:</i> Liable to retire by rotation	<i>Public Limited Companies:</i> • NIL <i>Private Limited Companies:</i> • NIL
3.	Suresh Kulkarni S/o Mr. Dattatraya Kulkarni <i>Designation:</i> Director <i>(Non-executive and Independent)</i>	<i>Date of appointment:</i> July 16, 2013 <i>Term:</i> Liable to retire by rotation	<i>Public Limited Companies:</i> • NIL <i>Private Limited Companies:</i>

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
	<p><i>Address:</i> Ground Floor, 1, Pragati Building, Road No. 2, Paranjpe Scheme, Vile Parle (E), Mumbai - 400057, Maharashtra</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 61 years</p> <p><i>Occupation:</i> Professional</p> <p><i>DIN:</i> 06554233</p>		<ul style="list-style-type: none"> • NIL
4.	<p>Mani Ananthanarayan</p> <p>S/o Mr. K V Ananthanarayan</p> <p><i>Designation:</i> Director (Non-executive and Independent)</p> <p><i>Address:</i> 4, Saravana, P.M. Road Extn., Vile Parle (East), Mumbai - 400057, Maharashtra</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 50 years</p> <p><i>Occupation:</i> Professional</p> <p><i>DIN:</i> 05114472</p>	<p><i>Date of appointment:</i> July 16, 2013</p> <p><i>Term:</i> Liable to retire by rotation</p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • SSPM Finance Limited • Artha Vrddhi Securities Ltd. • Artha Vrddhi Limited <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • NIL
5.	<p>Satish Chand Bokdia</p> <p>S/o Mr. Suresh Chandra Bokdia</p> <p><i>Designation:</i> Director (Non-executive and Independent)</p> <p><i>Address:</i> 623, Lodha Pada, Village Delwara, Rajsamand - 313202, Rajasthan</p> <p>T 92, Bldg 3, Trishul CHSL, Section A, Sardar Nagar 1, Maharashtra Housing Board, Mumbai – 400 022</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 32 years</p> <p><i>Occupation:</i> Business</p> <p><i>DIN:</i> 02422260</p>	<p><i>Date of appointment:</i> September 30, 2013</p> <p><i>Term:</i> Liable to retire by rotation</p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • NIL <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • NIL

Note:

- 1) *None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of the Prospectus.*
- 2) *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 by SEBI from accessing the capital market.*
- 3) *None of the Promoters, Directors or persons in control of our Company, have been or are 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.*

Brief Profile of the Directors of our Company

Mr. Anandrao B. Gole aged 48 Years, is the Managing Director of our Company. He is an undergraduate. He has been engaged in the business of trading in agriculture products and is having network with traders and agriculturalists. He is also a Director of Mumbai District Central Co-operative Bank Ltd. He is having over two decades of experience in trading and over 5 years of experience in Banking. He takes care of day to day business activities of our Company. He guides our Company through his experience and is instrumental in preparing our growth strategies.

Mr. Jairaj V. Bafna aged 28 Years, is the Non Executive Director of our Company. He has completed his Bachelors in Commerce from University of Mumbai. He has also completed his MBA (Finance) from ITM Group of Institutions, Mumbai. He is having an experience of over 5 Years in equity, commodity and currency trading. He has previously worked with Destimoney Securities Private Limited and Fairwealth Securities Limited. He takes care of our subsidiary company, Advantage Commodities Private Limited.

Mr. Suresh Kulkarni, aged 61 years, is a non-executive independent Director of our Company. He holds a bachelors' degree in commerce from Pune University and has also completed his masters degree in commerce from Pune University. He has also completed CAIIB from The Indian Institute of Bankers. He is having an experience of over 20 years in the field of banking and legal advisory.

Mr. Mani Ananthanarayan, aged 50 years, is a non-executive independent Director of our Company. He holds a bachelors' degree in commerce from Mumbai University. He has completed his LLB and LLM from Mumbai University. He is a qualified company secretary from the Institute of Company Secretaries of India. He is also an Associate Member of the Institute of Cost and Works Accountants of India. He is having an experience of over 20 years in the field of Secretarial, financial, taxation and legal matters. He has previously worked with Everest Developers, RR Industries Limited, Tricom India Limited, Aptech Limited amongst others. Presently he is having his independent practice in secretarial and management consultancy.

Mr. Satish Chand Bokdia, aged 32 years, is a non-executive independent Director of our Company. He holds a bachelors' degree in commerce from Mumbai University. He is a Fellow Member of the Institute of Chartered Accountants of India. He is having an experience of over 7 years in the field of audit, accounting, taxation and consulting & business advisory. He is having his own practice.

Family relationship between Directors

None of our Directors are related to each other within the meaning of Section 6 of the Companies Act, 1956.

Borrowing power of the Board

The borrowing powers of our Board are regulated by the provisions of the Articles of Association of our Company.

Pursuant to a special resolution passed at the Extra Ordinary General Meeting of our shareholders held on August 13, 2013 our Directors were authorised to borrow money(s) on behalf of our Company in excess of the paid up share capital and the free reserves of our Company from time to time, pursuant to the provisions of Section 293(1)(d) of the Companies Act, subject to an amount not exceeding ₹ 50.00 crores.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the chapter titled ‘Main Provisions of the Articles of Association’ beginning on page number 165 of the Prospectus.

Terms and Conditions of Employment of the Directors

i. Managing Director

Anandrao B. Gole, Managing Director

Anandrao B. Gole is the Managing Director of our Company. He was designated as the Managing Director for a term of five years commencing w.e.f. October 1, 2013 *vide* an EGM resolution dated December 10, 2013. The remuneration payable to Anandrao B. Gole towards salary (inclusive of perquisites, performance bonus and allowances) in terms of the EGM resolution shall not exceed ₹ 50,000 per month.

ii. No remuneration is payable to Mr. Jairaj V. Bafna being non-executive Promoter Director of our Company.

iii. Independent Directors

Our independent Directors are not entitled any sitting fees for attending meetings of the Board, or of any committee of the Board.

Shareholding of Directors in our Company

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of the Prospectus:

Sr. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Mr. Anandrao B. Gole	1,090,000	13.02%
2.	Mr. Jairaj V. Bafna	2,035,000	24.31%

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the BSE / NSE and reasons for suspension

None of our Directors is / was a Director in any listed company during the last five years before the date of filing this Prospectus, whose shares have been / were suspended from being traded on the Bombay Stock Exchange Ltd (BSE) and National Stock Exchange (NSE).

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from being traded on any stock exchange.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Managing Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter

Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue.

All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of our Company

Except for Mr. Jairaj V. Bafna and Mr. Anandrao Gole, being promoters of our Company, none of our Directors have any interest in the promotion of our Company.

Interest in the property of our Company

Other than as mentioned below, our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of the Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of our Company

Further, save and except as stated otherwise in “*Statement of Transactions with Related Parties*” in the chapter titled “*Financial Information*” beginning on page number 102 of the Prospectus, our Directors do not have any other interests in our Company as on the date of the Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

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

Details of Service Contracts

There are no service contracts entered into with any Directors for provision of benefits or payments of any amount upon termination of employment.

Bonus or Profit Sharing Plan for the Directors

There is no bonus or profit sharing plan for the Directors of our Company.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Changes in the Board for the last three years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Appointment	Date of Cessation	Reason for Change
Ankur Krishnakant Choksi	March 23, 2010	December 28, 2011	Resignation

Name of Director	Date of Appointment	Date of Cessation	Reason for Change
Krishnakant Jayantilal Choksi	March 23, 2010	December 28, 2011	Resignation
Ashwin Babulal Vadodaria	Since Incorporation	March 31, 2013	Resignation
Mukeshkumar Babulal Vadodaria	Since Incorporation	March 31, 2013	Resignation
Jairaj V. Bafna	July 16, 2013		Appointed pursuant to change in management
Suresh Kulkarni	July 16, 2013		Appointed to broadbase the board
Mani Ananthanarayan	July 16, 2013		Appointed to broadbase the board
Raksha Krishnakant Choksi	December 27, 2011	July 16, 2013	Resignation
Krishnakant Jayantilal Choksi	January 11, 2012	July 16, 2013	Resignation
Ankur Krishnakant Choksi	January 11, 2012	July 22, 2013	Resignation
Neepe Ankur Choksi	December 27, 2011	July 22, 2013	Resignation
Jairaj V. Bafna	July 23, 2013		Change in Designation to Managing Director
Anandrao B. Gole	August 13, 2013		Appointed pursuant to change in management
Satish Chandra Bokdia	September 30, 2013		Appointed to broadbase the board
Jairaj V. Bafna	October 1, 2013		Change in Designation to Non Executive Director
Anandrao B. Gole	October 1, 2013		Change in Designation to Managing Director

Corporate Governance

The provisions of the listing agreements to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI ICDR Regulations in respect of corporate governance become applicable to our Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has complied with the corporate governance code in accordance with Clause 52 of such Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Remuneration and Shareholder / Investors Grievance Committee. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. Further, our Company undertakes to take all necessary steps to comply with all the requirements of Clause 52 of the Listing Agreement to be entered into with the Stock Exchanges.

Composition of Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 52 of the Listing Agreement. Our Board has five Directors out of which three are independent directors in accordance with the requirement of Clause 52 of the Listing Agreement.

In terms of Clause 52 of the Listing Agreement, our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Remuneration Committee
3. Shareholders/Investors Grievance Committee

To enable efficient functioning with regards to the activities relating to this Issue we have constituted an Initial Public Offer (IPO) Committee.

1. Audit Committee

The Audit Committee was constituted *vide* Board resolution dated December 13, 2013 pursuant to Section 292A of the Companies Act and clause 52 of the Listing Agreement. As on the date of the Prospectus the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Satish Chand Bokdia	Chairman	Non-executive and Independent
Mr. Suresh Kulkarni	Member	Non-executive and Independent
Mr. Mani Ananthanarayan	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Audit Committee.

The terms of reference of our Audit Committee are given below:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
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 the statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditor.
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
 - a. Matters required to be included in the Director's Responsibility Statement' to be included in our Board's report in terms of Clause (2AA) of Section 217 of the Companies Act;
 - 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 the financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges;
7. Monitoring the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
9. 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.
10. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
11. Discussing with internal auditors on any significant findings and follow up thereon.
12. 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.
13. 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.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
15. To review the functioning of the 'whistle blower' mechanism, when the same is adopted by our Company and is existing.
16. 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.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
18. The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
19. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per Clause 52 of Listing Agreement

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

The Audit Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

2. Remuneration Committee

The constitution of the Remuneration Committee was reconstituted at a meeting of the Board of Directors held on December 13, 2013. As on the date of the Prospectus the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mani Ananthanarayan	Chairman	Non-executive and Independent
Mr. Suresh Kulkarni	Member	Non-executive and Independent
Mr. Satish Chand Bokdia	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Remuneration Committee.

The scope of Remuneration Committee shall include but shall not be restricted to the following:

1. to ensure that our Company has formal and transparent procedures for the selection and appointment of new directors to the board and succession plans;
2. to develop and implement a plan for identifying and assessing competencies of directors;
3. to identify individuals who are qualified to become board members, taking into account a variety of factors, including, but not limited to:
 - a) the range of skills currently represented on the board;
 - b) the skills, expertise, experience (including commercial and/or industry experience) and particular qualities that make individuals suitable to be a director of our Company; and/or
 - c) the individual's understanding of technical, accounting, finance and legal matters;
4. to make recommendations for the appointment and removal of directors;
5. ensure that our Company has in place a programme for the effective induction of new directors;
6. to review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
7. to recommend to the Board, the remuneration packages of our Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
8. to be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing / Joint Managing / Deputy Managing / Whole-time / Executive Directors, including pension rights and any compensation payment;
9. to implement, supervise and administer any share or stock option scheme of our Company; and
10. to attend to any other responsibility as may be entrusted by the Board within the terms of reference.

The Remuneration Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Remuneration Committee whichever is greater, but there should be a minimum of two independent members present.

3. Shareholders/ Investors Grievance Committee

The Shareholders/ Investors Grievance Committee has been formed by the Board of Directors at the meeting held on December 13, 2013. As on the date of the Prospectus the Shareholders/ Investors Grievance Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Suresh Kulkarni	Chairman	Non-executive and Independent
Mr. Satish Chand Bokdia	Member	Non-executive and Independent
Mr. Mani Ananthanarayan	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Shareholders/ Investors Grievance Committee.

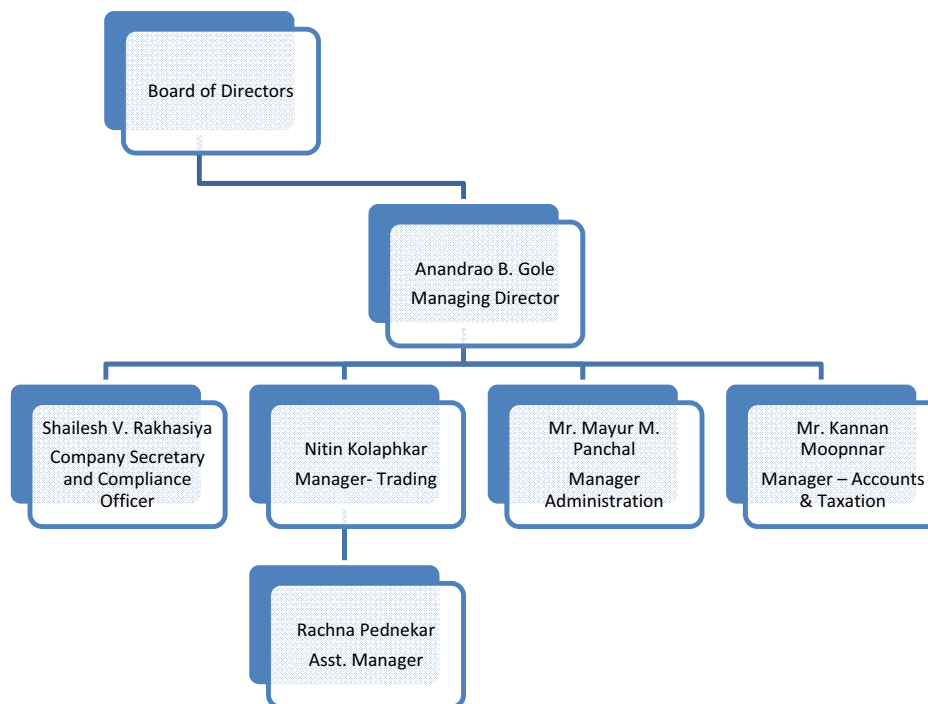
This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of Clause 52 of the Listing Agreements with the Stock Exchanges and its terms of reference include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

Management Organisation Chart



Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Mr. Nitin Kolapkar, aged 46 years, is the Manager – Trading of our Company. He is an undergraduate. He joined our Company on October 1, 2013. At present, he is responsible for handling our marketing and relationship with our clients. He has over 5 years of experience in marketing. Prior to joining our company he has worked with Sumit Cassette Industries. No remuneration was paid to him in the Fiscal 2013 by our Company as he joined our Company in October 2013.

Ms. Rachna Pednekar, aged 23 years, is the Asst. Manager - Trading of our Company. She has completed her B.Com from Mumbai University. She joined our Company on October 1, 2013. At present, she assists in sales department. She has over 3 years of experience in marketing. Prior to joining our company she has worked with Dharendra Shukla & Co., Tax Consultants. No remuneration was paid to her in the Fiscal 2013 by our Company as he joined our Company in October 2013.

Mr. Kannan M. Moopnnar, aged 27 years, is the Manager – Accounts & Taxation of our Company. He has completed his B.Com from Mumbai University. He joined our Company on October 1, 2013. At present, he is responsible for managing accounts and taxation related matters of our Company. He has over 5 years of experience in accounting and taxation. Prior to joining our company he has worked with Dharendra Shukla & Co.. No remuneration was paid to him in the Fiscal 2013 by our Company as he joined our Company in October 2013.

Mr. Mayur Manohar Panchal, aged 26 years, is the Manager–Administration of our Company. He has completed his BMS from Patuck Gala College and has also completed his Post Graduate Diploma in Event Management from EMDI Institute of Event Management. He joined our Company on October 1, 2013. At present, he takes care of administration related work of our Company. He has over 2 years of experience as freelancing event manager. No remuneration was paid to him in the Fiscal 2013 by our Company as he joined our Company in October 2013.

Mr. Shailesh Vallabhbhai Rakhasiya, aged 26 years, is the Company Secretary and Compliance officer of our Company. He is a qualified Company Secretary from the Institute of Company Secretaries of India and a Commerce Graduate from Mumbai University. He has approximately 2 years of experience in legal and secretarial matters. Prior to joining our Company, he has worked as trainee with VKM & Associates, Company Secretaries. At present, he is responsible for looking after the legal, RoC Compliances and other secretarial matters of our Company. No remuneration was paid to him in the Fiscal 2013 by our Company as he joined our Company on November 30, 2013.

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of the key managerial personnel are “related” to the Promoters or Directors of our Company within the meaning of Section 6 of the Companies Act.

Details of Service Contracts of our Key Managerial Personnel

Our key managerial personnel have not entered into any other contractual arrangements with our Company.

Bonus and/ or Profit Sharing Plan for the Key Managerial Personnel

Our Company does not have any bonus and / or profit sharing plan for the key managerial personnel.

Contingent and Deferred Compensation payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel are holding any Equity Shares in our Company as on the date of the Prospectus.

Interest of Key Managerial Personnel

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in our Company’s Key Managerial Personnel during the last three years

Following have been the changes in the Key Managerial Personnel during the last three years:

Sr. No.	Name	Date of Joining	Date of Leaving	Reason
1.	Mr. Nitin Kolapkar	October 1, 2013	--	Appointment
2.	Ms. Rachna Pednekar	October 1, 2013	--	Appointment
3.	Mr. Kannan M. Moopnar	October 1, 2013	--	Appointment
4.	Mr. Mayur Manohar Panchal	October 1, 2013	--	Appointment
5.	Mr. Shailesh Vallabhbhai Rakhasiya	November 30, 2013	--	Appointment

Scheme of Employee Stock Options or Employee Stock Purchase

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Employees

As on the date of the Prospectus, our Company has 9 employees. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled ‘*Manpower*’ under the chapter titled ‘*Our Business*’ beginning on page number 73 of the Prospectus.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel as on the date of the Prospectus.

Payment of Benefits to officers of our Company (non-salary related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 102 and 73 of the Prospectus, we have not paid/ given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of the Prospectus.

Retirement Benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are:

Individual Promoter:

1. Mr. Anandrao B. Gole
2. Mr. Jairaj V. Bafna

Brief profile of our Promoters is as under:



Mr. Anandrao B. Gole aged 48 Years, is the Managing Director of our Company. He is an undergraduate. He is engaged in the business of trading in agriculture products and is having network with traders and agriculturalists. He is also a Director of Mumbai District Central Co-operative Bank Ltd. He is having over two decades of experience in trading and over 5 years of experience in Banking. He takes care of day to day business activities of our Company. He guides our Company through his experience and is instrumental in preparing our growth strategies.

Passport No: N.A.

Driving License: N.A.

Voters ID: DDT0597450

PAN: AGDPG8895L

Address: 302, Sai Sneha Bldg No. 10, Saiwadi, Andheri (E), Mumbai - 400069, Maharashtra

For further details relating to Anandrao B. Gole and other directorships, please refer to the chapter titled “*Our Management*” beginning on page number 82 of the Prospectus.



Mr. Jairaj V Bafna aged 28 Years, is the Non Executive Director of our Company. He has completed his Bachelors in Commerce from University of Mumbai. He has also completed his MBA (Finance) from ITM Group of Institutions, Mumbai. He is having an experience of over 5 Years in equity, commodity and currency trading. He has previously worked with Destimoney Securities Private Limited and Fairwealth Securities Limited. He will primarily take care of our subsidiary company.

Passport No: H0700540

Driving License: N.A.

UID: 5318 7377 7000

PAN: AKOPB3351M

Address: 310/3, Rajani Mahal, Opp. A.C. Market, 89-95, Tardeo Road, Mumbai - 400034, Maharashtra

For further details relating to Jairaj V. Bafna and other directorships, please refer to the chapter titled “*Our Management*” beginning on page number 82 of the Prospectus.

Declaration

Our Company hereby confirms that the personal details of our Individual Promoters viz., Permanent Account Number, Passport Number, and Bank Account Number will be submitted to BSE, at the time of filing the Prospectus with them.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital

markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters 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.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against him.

Changes in our Promoters

Our Company was initially promoted by Mr. Ashwin Kumar and Mr. Mukesh Kumar in the financial year 1991-1992 with the object of trading in metal and agriculture products. Mr. Ankur Choksi, Mr. Krishnakant Choksi and their group company Transparent Shares and Securities Private Limited acquired our Company in May 2010. Our current promoters acquired our Company in August 2013.

INTEREST OF PROMOTERS

Interest in promotion of our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and influencing significant control over the management and policy decisions of our Company.

Interest in the property of our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Prospectus.

Interest as member of our Company

Our Promoters jointly hold 31,25,000 Equity Shares aggregating to 37.34% of pre-Issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and as given in the chapter titled “*Our Management*” beginning on page number 82 of the Prospectus, our Promoters hold no other interest in our Company.

Interest as a creditor of our Company

As on the date of the Prospectus our Company has not availed any secured loan from the Promoters of our Company.

Interest as Director of our Company

Except as stated in the “*Statement of Related Party Transactions*” beginning on page number 117 of the Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AoA.

Interest in transactions involving acquisition of land

Our Promoters is not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Payment or benefit to promoters of the issuer:

Except as stated in the “*Statement of Related Party Transactions*” beginning on page number 117 of the Prospectus and remuneration paid to our Managing Director, no amount or benefit has been paid or given within the two years preceding the date of filing Prospectus with the BSE or intended to be paid or given to any promoter or promoter group and consideration for payment of giving of the benefit.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled ‘*Our Group Entities*’ beginning on page 98 of the Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus.

Our Promoter Group:

Our Promoters and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

i. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations form part of our Promoter Group:

Relationship	Anandrao B. Gole	Jairaj V. Bafna
Father	Balkrishna Gole	Vinod Bafna
Mother	Sitabai B. Gole	Saroj V. Bafna
Spouse	Suman A. Gole	Divya V. Bafna
Brother	Chandrakant Gole Suryakant Gole	--
Brother's wife	Komal C. Gole Sunita S. Gole	--
Sister	Laxmi S. Wadkar	Ruchita V. Bafna
Sister's Husband	Sandeep B. Wadkar	--
Son	Amit A. Gole Sumit A. Gole	--
Daughter	--	--
Spouse's father	Sahadev Chorat	Rajubhai Kansara
Spouse's mother	Dropadda Chorat	Rupaben Kansara
Spouse's brother	Haribhau S. Chorat Narayan S. Chorat	--
Spouse's sister	--	--

ii. Entities forming part of the Promoter Group

- i. Companies: NIL**
- ii. Hindu Undivided Family: NIL**
- iii. Partnership Firms: NIL**
- iv. Proprietary Concerns: NIL**
- v. Trusts: NIL**
- vi. All persons whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "shareholding of the promoter group": NIL**

Relationship of Promoters with our Directors

There is no relationship of our Promoters with our other Directors.

Payment or Benefit to our Promoters

Except as stated in the “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus, no amount or benefit was paid or given within the two years preceding the date of filing draft offer document with the BSE or intended to be paid or given to any promoter or promoter group and consideration for payment of giving of the benefit.

OUR GROUP ENTITIES

As on the date of the Prospectus, following entities that are promoted by our Promoters, irrespective of whether such entities are covered under section 370 (1)(B) of the Companies Act, 1956 or not:

None of our Group Companies as are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years. Further, unless otherwise stated none of our Group Companies is a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 (“SICA”) and none of them is under winding up. Further no application has been made, in respect of any of the Group Companies, to the Registrar of Companies for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of the Prospectus.

1. Group Companies (Subsidiary)

A. Advantage Commodities Private Limited (ACPL)

Corporate Information

The Company was incorporated as Advantage Commodities Future Trading Private Limited on February 12, 2004 as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, Maharashtra, Mumbai. The name of the Company was changed to Advantage Commodities Private Limited vide a Fresh Certificate of Incorporation dated November 22, 2004 issued by the Registrar of Companies Maharashtra, Mumbai. The CIN of ACPL is U51100MH2004PTC144500. The registered office of ACPL is situated at 701, 7th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra, Mumbai – 400054, Maharashtra. ACPL is engaged in the business of commodities broking through its membership of MCX.

Capital Structure and Shareholding Pattern

The shareholding pattern of ACPL is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1.	Agrimony Commodities Limited	2,49,800	99.92%
2.	Jairaj V. Bafna	100	0.04%
3.	Anandrao B. Gole	100	0.04%
	Total	2,50,000	100.00%

Our Company acquired shares of ACPL on August 13, 2013. ACPL has applied to MCX for approval for change in shareholding pattern amounting to change in management. The application is currently pending with MCX.

Board of Directors

Mr. Ankur Krishnakant Choksi and Mr. Krishnakant Jayantilal Choksi

Financial Information

Particulars	(₹ in lacs, except per share data)		
	For the period ended March 31		
	2013	2012	2011
Authorised Capital	25.00	25.00	25.00
Equity Capital	25.00	25.00	25.00
Reserves and Surplus	32.49	32.11	32.46
Total Income	1.49	0.68	4.08
Profit / (Loss) after tax	0.39	-0.36	0.48
Earnings per share (₹)	0.16	-0.14	0.19
Net Asset Value Per Share (₹)	23.00	22.84	22.98
Face Value	10.00	10.00	10.00

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

Our Promoters have not disassociated from any company in last three years.

Negative Net Worth

None of our Group Entities have negative net worth as on the date of the Prospectus.

Related Party Transactions and sales and purchases between our Company and Group Entities

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus.

Common Pursuits

The Promoters / any member of Promoter Group do not have interest in any venture that is involved in any activities similar to those conducted by our Company.

Other Confirmations

Business interest of Group Entities in our Company

Except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus and under the paragraph titled ‘*Other Agreements*’ under the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page number 78 of the Prospectus, none of our Group Entities / Subsidiary / associate companies have business interests in our Company.

Interest in sales and purchases

Except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus, there have been no sales and purchases between us and our Group Entities, Subsidiary and associate companies, when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Interest in promotion of Our Company

None of our Group Entities were interested in the promotion of our Company.

Interest in the property of Our Company

Our Group Entities do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Prospectus.

Interest in the transaction involving acquisition of land

None of our Group Entities were interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Further, our Group Entities have confirmed that they have not been detained 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 currently pending against them. None of our Group entities has been (i) prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Litigation

For details relating to legal proceedings involving the Promoters and our Group Entities, please refer to the chapter titled ‘*Outstanding Litigations and Material Developments*’ beginning on page number 125 of the Prospectus.

Payment or Benefit to our Group Entities

Except as stated in the “*Statement of Related Party Transactions*”, as Restated appearing as Annexure XV on page number 117 of the section titled “*Financial Information*” beginning on page number 102 of the Prospectus, there has been no payment of benefits to our Group Entities during the two years prior to the filing of the 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 no formal dividend policy. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares. Our Company has not declared any dividends since incorporation.

SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

Auditors Report

The Board of Directors
Agrimony Commodities Limited
701, 7th Floor, Kingston,
Tejpal Road, Vile Parle (E),
Mumbai – 400057, Maharashtra

Subject: Financial Information of Agrimony Commodities Limited

Dear Sir,

We have examined the financial information of Agrimony Commodities Limited annexed to this report, initialled by us for identification, which has been prepared in accordance with the requirements of:

- I. Paragraph B, of Part II of Schedule II of the Companies Act, 1956 (the Act”), and the amendments thereof
- II. 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
- III. 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.
- IV. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of the Agrimony Commodities Limited, we, M/s. V.R. Bhabhra & 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.
- V. The Proposed public issue will be for a fresh issue by the company of 30,20,000 equity shares of ₹ 10 each, at par (referred to as ‘the issue’).
- VI. Financial Information of the Company

We have examined:

1. The attached summary statement of Restated Assets & Liabilities of the Company as at March 31, 2009, 2010, 2011, 2012, 2013 and for the period ended November 30, 2013 as prepared by the company and approved by the Board of Directors. (Annexure - I).
2. The accompanying summary statement of Restated Profits & Losses of the Company for the financial years ended March 31, 2009, 2010, 2011, 2012, 2013 and for the period ended November 30, 2013 as prepared by the Company and approved by the Board of Directors. (Annexure - II)
3. The accompanying summary statement of cash flow of the company for the financial year ended March 31, 2009, 2010, 2011, 2012, 2013 and for the period ended November 30, 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 to this report.

- VII. 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:
- a. Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations,
 - b. The prior period items which are required to be adjusted are properly stated.
 - c. There are no extra-ordinary items that need to be disclosed separately in the accounts.
 - d. The accounting policies applied for each of the years ended March 31, 2009, 2010, 2011, 2012 and for the period ended November 30, 2013 is materially consistent with the existing Accounting Standards. (Annexure - IV) except as stated otherwise in Annexure - XX
 - e. 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.
 - f. 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
 - g. 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:-

- i. Statement of Other Income as appearing in Annexure - VI to this report.
- ii. Statement of Accounting & Other Ratios as appearing in Annexure - VII to this report.
- iii. Statement of Capitalization of the company as appearing in Annexure - VIII to this report.
- iv. Statement of Tax Shelters as appearing in Annexure - IX to this report.
- v. Statement of Long Term Borrowings as appearing in Annexure - X to this report.
- vi. Statement of Short Term Borrowings as appearing in Annexure - XI to this report.
- vii. Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security as appearing in Annexure - XII to this report
- viii. Statement of Trade Receivables as appearing in Annexure - XIII to this report.
- ix. Statement of Loans and Advances as appearing in Annexure - XIV to this report.
- x. Statement of Related Party Transaction as appearing in Annexure - XV to this report.
- xi. Statement of Dividend paid as appearing in Annexure - XVI to this report
- xii. Statement of Investment as appearing Annexure - XVII to this report.
- xiii. Details of Qualification in Auditors Report as Appearing in Annexure - XVIII to this report
- xiv. Details of Changes in significant Policies as Appearing in Annexure - XIX to this report

- VIII. In our opinion, the above financial information of the Company read with Significant Accounting Policies & Notes to Accounts attached in Annexure - IV & V 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.
- IX. 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.
- X. 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 or distributed for any other purpose without our written consent.

Thanking you,
Yours faithfully,
For **V.R. Bhabhra & Co.**
Chartered Accountants
FRN: 112861W

Mr. V.R. Bhabhra
Proprietor
Membership No: 046043
Place: Mumbai
Date: December 16, 2013

Annexure - I

Statement of Assets and Liabilities (As Restated)

(₹ in Lacs)

Particulars	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Equity & Liabilities						
Share capital						
-Equity Share Capital	556.50	10.00	10.00	10.00	1.10	1.10
-Preference Share Capital	0.00	0.00	0.00	0.00	0.00	0.00
Total(a)	556.50	10.00	10.00	10.00	1.10	1.10
Reserves and surplus						
P&L Account	171.04	164.62	162.65	162.00	160.81	155.01
Total(b)	171.04	164.62	162.65	162.00	160.81	155.01
Total Equity & Liabilities	727.54	174.62	172.65	172.00	161.91	156.11
Non Current Liabilities						
Long Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Long term provisions	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.17	0.00	0.00	0.00	0.00
Total Non Current Liabilities	0.00	0.17	0.00	0.00	0.00	0.00
Current Liabilities						
Short Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Trade Payables	364.08	0.00	0.00	0.00	2.29	30.19
Other Current Liabilities	216.25	0.00	0.32	0.13	17.94	9.21
Short Term Provisions	6.10	1.78	0.82	0.52	0.00	0.20
Total Current Liabilities	586.43	1.78	1.14	0.65	20.23	39.60
Total Equity & Liability	1,313.97	176.57	173.79	172.65	182.14	195.71
Non-Current Assets						
a) Fixed Assets						
Tangible Assets	12.27	8.15	2.03	2.26	11.35	13.20
Capital Work -in-Progress	0.00	0.00	0.00	0.00	0.00	0.00
Total Fixed Assets (a)	12.27	8.15	2.03	2.26	11.35	13.20
b) Non Current Investments	139.14	78.63	43.63	43.63	43.63	43.63
c) Long Term Loans and Advances	59.01	2.66	0.00	0.00	0.00	0.00
d) Deferred Tax Asset	0.92	0.00	0.00	0.00	0.00	0.00
e) Other Non Current Assets	9.83	0.00	0.00	0.00	0.00	0.00
Total Non Current Assets	221.17	89.44	45.66	45.89	54.98	56.83
Current assets						
Current Investments	0.00	17.52	0.00	0.00	0.00	40.00
Inventories	0.00	0.00	0.00	0.00	17.09	8.83
Trade Receivables	1,025.27	2.31	15.17	17.35	0.00	0.00
Cash and Cash Equivalents balances	25.61	0.91	109.99	102.91	7.92	3.64

Short Term Loans and advances	39.50	66.38	1.67	0.16	99.23	83.49
Other Current Assets	2.42	0.00	1.29	6.34	2.92	2.92
Total Current Assets	1,092.80	87.12	128.12	126.76	127.16	138.88
Total Assets	1,313.97	176.57	173.79	172.65	182.14	195.71

Annexure - II

Summary Statement of Profit and Loss, As Restated

(₹ in Lacs)

Particulars	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Income						
Sales of Products Traded by the Company						
- Export	0.00	0.00	0.00	0.00	101.29	227.94
- Local	1354.97	2.31	0.00	17.09	0.00	39.88
Export Benefits	0.00	0.00	0.00	0.00	14.23	34.91
Total Operating Income	1,354.97	2.31	0.00	17.09	115.52	302.73
Other Income	2.50	9.69	9.14	6.06	0.49	0.32
Changes in inventories of finished goods, work-in-progress and Stock- in-trade	0.00	0.00	0.00	-17.09	8.26	-42.30
Total Income	1,357.47	12.00	9.14	6.06	124.27	260.75
Expenditure						
Purchase of Traded Goods	1342.75	0.00	0.00	0.00	106.46	247.65
Other Direct costs	0.00	0.00	0.00	0.00	4.44	5.22
Administrative and Other Expenses	5.77	8.48	7.95	4.11	5.51	9.55
Total (B)	1,348.52	8.48	7.95	4.11	116.41	262.42
Profit Before Interest, Depreciation and Tax	8.95	3.52	1.19	1.95	7.86	-1.67
Depreciation	1.77	0.12	0.23	0.25	1.85	2.17
Profit Before Interest and Tax	7.18	3.40	0.96	1.70	6.01	-3.84
Financial Charges	0.02	0.55	0.01	0.03	0.21	0.64
Profit before Taxation	7.17	2.85	0.95	1.67	5.80	-4.48
Provision for Taxation	1.77	0.71	0.30	0.52	0.00	0.97
Provision for Deferred Tax	-1.09	0.17	0.00	0.00	0.00	0.00
Provision for FBT	0.00	0.00	0.00	0.00	0.00	0.20
Total	0.68	0.88	0.30	0.52	0.00	1.17
Profit After Tax but Before Extra ordinary Items	6.49	1.97	0.65	1.15	5.80	-5.65
Prior Period Items	0.00	0.00	0.00	-0.04	0.00	0.00
Net Profit after adjustments	6.49	1.97	0.65	1.19	5.80	-5.65

Annexure - III

Summary Statement of Cash Flow:

(₹ in Lacs)

PARTICULARS	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit Before Tax	7.17	2.85	0.95	1.67	5.80	-4.48
Adjusted for :						
a. Depreciation	1.77	0.12	0.23	0.25	1.85	2.17
b. Interest Expenses	0.02	0.55	0.01	0.03	0.21	0.64
Operating profit before working capital changes	8.95	3.52	1.19	1.95	7.86	-1.67
Adjusted for :						
a. Decrease /(Increase) in Current Investments	17.52	-17.52	0.00	0.00	40.00	-40.00
b. Decrease /(Increase) in Inventories	0.00	0.00	0.00	17.09	-8.26	42.30
c. Decrease / (Increase) in trade receivable	-					
	1,022.96	12.86	2.18	-17.35	0.00	52.14
d. (Increase) / Decrease in short term loans and advances	26.88	-64.71	-1.51	99.07	-15.74	-25.15
e. (Increase) / Decrease in Other Current Assets	-2.42	1.29	5.05	-3.42	0.00	4.80
f. (Increase) / Decrease in Long term loans and advances	-56.35	-2.66	0.00	0.00	0.00	0.00
g. Increase / (Decrease) in Trade Payables	364.08	0.00	0.00	-2.29	-27.90	-8.21
h. Increase / (Decrease) in short term provisions	4.32	0.96	0.30	0.52	-0.20	0.07
i. Increase / (Decrease) in other current liabilities	216.25	-0.32	0.19	-17.81	8.73	9.21
j. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00	0.00	0.00	0.00
			-	-		-
Cash generated from operations	-443.74	-66.58	7.39	77.76	4.49	33.49
Income Tax Paid (net of refunds)	1.77	0.71	0.30	0.00	0.00	1.17
NET CASH GENERATED FROM OPERATION	-445.51	-67.29	7.09	77.76	4.49	32.32
B. CASH FLOW FROM INVESTING ACTIVITIES						
a. Purchase of Fixed Assets	-5.90	-6.24	0.00	0.00	0.00	-7.31
b. Sale of Fixed Assets	0.00	0.00	0.00	8.36	0.00	0.00
c.(Purchase) / Sale of non-current investment	-60.51	-35.00	0.00	0.00	0.00	0.00
d. (Increase) in Non Current Assets	-9.87	0.00	0.00	0.00	0.00	0.00
Net cash (used) in investing activities	-76.28	-41.24	0.00	8.36	0.00	-7.31
C. CASH FLOW FROM FINANCING ACTIVITIES						
a. Interest Paid	-0.02	-0.55	-0.01	-0.03	-0.21	-0.64
b. Proceeds from share issued	546.50	0.00	0.00	8.90	0.00	0.00

c. (Repayments) / proceeds of long term borrowings	0.00	0.00	0.00	0.00	0.00	0.00
d. (Repayments) / proceeds of short term borrowings	0.00	0.00	0.00	0.00	0.00	-30.06
Net cash generated/(used) in financing activities	546.48	-0.55	-0.01	8.87	-0.21	-30.70
Net Increase / (Decrease) in cash and cash equivalents	24.70	-109.08	7.08	94.99	4.28	-5.69
Cash and cash equivalents at the beginning of the year	0.91	109.99	102.91	7.92	3.64	9.33
Cash and cash equivalents at the end of the year	25.61	0.91	109.99	102.91	7.92	3.64

Notes:

3. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'.
4. Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

Annexure - IV**1) SIGNIFICANT ACCOUNTING POLICIES -****1. Basis of Preparation of Financial Statements:**

The Restated Financial Statements have been prepared under Historical Cost conventions and on accrual basis in accordance with the Generally Accepted Accounting Principles (“GAAP”) applicable in India Companies (Accounting Standard) Rules 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act 1956 as adopted consistently by the Company.

2. Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/materialize.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition less accumulated depreciation thereon. Fixed Assets are accounted at cost of acquisition inclusive of inward freight duties taxes and other incidental expenses related to acquisition and installation of Fixed Assets incurred to bring the assets to their working condition for their intended use.

4. Depreciation:

Depreciation is provided for in the books on written down value method as per the rates prescribed under Schedule XIV of the Companies Act 1956.

5. Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of the cost and fair value determined on an individual item basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature.

6. Revenue Recognition:

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Dividend income is recognized when right to receipts is established. Profit or loss on sale of securities is accounted on trade date basis. Other Income has been recognized on the basis of Accounting Standard – 9 (Revenue Recognition) notified by the Companies (Accounting Standards) Rules 2006.

7. Foreign currency transaction:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized as income or expense in the profit and loss account of the same period. Foreign currency assets and liabilities are translated at the yearend rates and the resultant exchange differences are recognized in the profit and loss account.

The Company uses foreign exchange forward and options contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward and options contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. Forward and options contracts are fair valued at each reporting date. The resultant gain or losses from these transactions are recognized in the statement of profit and loss. The Company records the gain or loss on effective hedges if any in the foreign currency fluctuation reserve until the transactions are complete. On completion the gain or loss is transferred to the statement of profit and loss of that period.

8. Borrowing Cost:

Borrowing Costs that are directly attributable to the acquisition or production of qualifying assets are capitalized as the cost of the respective assets. Other Borrowing Costs are charged to revenue.

9. Retirement Benefits:

As none of the employees have completed the minimum length of service as provided in Payment of Gratuity Act, 1972, no provision for gratuity is required to be made.

10. Accounting of taxes on Income:

Tax expenses for the year comprise of current tax and deferred tax.

Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act 1961.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates and in accordance with Accounting Standard 22 on “Accounting for Taxes on Income” issued by ICAI. At each Balance Sheet date the Company reassesses unrecognized deferred tax assets to the extent they become reasonably certain or virtually certain of realization as the case may be.

11. Leased Assets:

The Company's significant Leasing arrangements are in respect of Operating leases for premises which are cancellable in nature. The Lease rentals paid under such Agreements are charged to Profit and Loss Account.

12. Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote no provision or disclosure is made.

13. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

Annexure - V

NOTES TO RESTATED ACCOUNTS

1. Changes in Accounting Policies in the years/periods covered in the Restated Financials

There is no change in significant accounting policies during the reporting period except as and when Accounting Standards issued by the Institute of Chartered Accountants of India / companies (Accounting Standard) Rules 2006 were made applicable on the relevant dates.

2. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the last five years.

3. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

7. The Company does not possess information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made on the books of accounts.

8. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

9. There are no contingent liabilities for the periods covered under audit.

10. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, are subject to confirmation and reconciliation.

Annexure - VI**Statement of Other Income***(₹ in Lacs)*

Particulars	As at					
	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Interest Received	2.38	9.69	9.08	6.06	0.00	0.00
Dividend Received	0.00	0.00	0.06	0.00	0.33	0.32
Others	0.12	0.00	0.00	0.00	0.16	0.00
Total	2.50	9.69	9.14	6.06	0.49	0.32

Annexure - VII**Statement of Accounting and Other Ratios***(₹ in Lacs)*

Particulars	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Net Profit as restated (₹ in Lacs)	6.49	1.97	0.65	1.19	5.80	-5.65
Net Worth (₹ in Lacs)	727.54	174.62	172.65	172.00	161.91	156.11
Return on Net worth (%)	0.89%	1.13%	0.38%	0.69%	3.58%	-3.62%
Equity Share at the end of year (in Nos.)	5,565,000	100,000	100,000	100,000	11,000	11,000
(Face Value ₹ 10)	10.00	10.00	10.00	10.00	10.00	10.00
Weighted No of Equity Shares	944,378	100,000	100,000	92,685	11,000	11,000
Basic & Diluted Earnings per Equity Share	0.69	1.97	0.65	1.28	52.73	-51.36
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	13.07	174.62	172.65	172.00	1,471.91	1,419.18

Note:-

1. Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
2. Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
3. Net asset value/Book value per share (₹) = Net worth / No. of equity shares
4. The Company does not have any revaluation reserves or extra-ordinary items.

Annexure - VIII

Statement of Capitalization:

(₹ In Lacs)

Particulars	Pre Issue		Post Issue*
	As at 30.11.2013	As at 31.03.2013	
Debt :			
Short term debt	0.00	0.00	0.00
Long term debt	0.00	0.00	0.00
Total Debt	0.00	0.00	0.00
Shareholders Funds			
Equity Share Capital	556.50	10.00	1,139.00
Reserves and Surplus	171.04	164.62	164.62
Total Shareholders' Funds	727.54	174.62	1,303.62
Long Term Debt/ Shareholders' Funds	0.00	0.00	0.00
Total Debt / Shareholders Fund	0.00	0.00	0.00

* Based on assumption that issue will be fully subscribed.

Annexure - IX

STATEMENT OF TAX SHELTERS

(₹ In Lacs)

Particulars	As At					
	30.11.13 *	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Profit Before Tax as per books of accounts	7.17	2.85	0.95	1.67	5.80	-4.48
Tax rate						
-- Normal Tax rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
-- Minimum Alternative Tax rate	19.06%	19.06%	19.06%	18.54%	15.45%	10.30%
-- Short Term Capital Gain U/S 111(A)	0.00	0.00	0.00	0.00	0.00	0.00
Notional Tax at normal rates	2.21	0.88	0.29	0.52	1.79	-1.38
Tax at Special Rate	0	0	0	0	0	0
Total Tax (A)	2.21	0.88	0.29	0.52	1.79	-1.38
Permanent differences						
Other adjustments	0.00	0.00	0.00	0.00	0.00	0
Disallowances	0.00	0.00	0.00	0.00	0.00	2.11
Total (B)	0.00	0.00	0.00	0.00	0.00	2.11
Timing Differences						
Depreciation as per Books	1.77	0.12	0.23	0.25	1.85	2.17
Depreciation as per Income Tax	3.23	0.67	0.23	0.25	1.85	2.17
Difference between tax depreciation and book depreciation	-1.46	-0.55	0.00	0.00	0.00	0.00
Other adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Foreign income included in the statement	0.00	0.00	0.00	0.00	0.00	0.00
Total (C)	-1.46	-0.55	0.00	0.00	0.00	0.00
Net Adjustments (B+C)	-1.46	-0.55	0.00	0.00	0.00	2.11
Tax expense/(savings) thereon (D)	-0.45	-0.17	0.00	0.00	0.00	0.65
Total Taxation (E = A+D)	1.76	0.71	0.29	0.52	1.79	-0.73
Brought forward losses set off (Depreciation)	0	0	0	0	0	0
Tax effect on the above (F)	0	0	0	0	0	0
Net tax for the year/period (E+F)	1.76	0.71	0.29	0.52	1.79	-0.73
MAT Credit Utilised	0.00	0.00	0.00	0.00	0.00	0.00
Tax Payable for the year	1.76	0.71	0.29	0.52	1.79	-0.73
Tax payable as per MAT	1.37	0.54	0.18	0.31	0.90	-0.46
Tax expense recognised	1.77	0.71	0.30	0.52	0.00	0.97

*Tax payable as per computation made for provision for tax.

Annexure - X**Statement of Long Term Borrowings**

There are no long term borrowings for period covered under audit.

Annexure - XI**Statement of Short Term Borrowings**

There are no short term borrowings during the period covered under audit.

Annexure - XII**Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security**

There are no outstanding secured or unsecured borrowings as on November 30, 2013.

Annexure - XIII**Statement of Trade Receivables:**

(₹ in Lacs)

Particulars	As at					
	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Debts due for the period exceeding 6 months	1.64	0.00	15.17	17.35	0.00	0.00
Other Debts	1023.63	2.31	0.00	0.00	0.00	0.00
Total	1025.27	2.31	15.17	17.35	0.00	0.00

There are no related party under debtors.

Annexure - XIV**Statement of Loans & Advances:**

(₹ in Lacs)

Particulars	As at					
	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Long Term						
Security Deposit	2.00	0.00	0.00	0.00	0.00	0.00
Refund of Vat	0.11	0.00	0.00	0.00	0.00	0.00
Advance Income Tax	2.61	2.61	0.00	0.00	0.00	0.00
FBT	0.03	0.03	0.00	0.00	0.00	0.00
Professional Tax	0.03	0.03	0.00	0.00	0.00	0.00
ICD	54.23	0.00	0.00	0.00	0.00	0.00
Total	59.01	2.66	0.00	0.00	0.00	0.00
Short Term						
Advances recoverable in Cash or in Kind						
Advance Tax and TDS	0.00	0.00	1.67	0.16	0.13	0.13
ICD	39.50	66.38	0.00	0.00	0.00	0.00
Cenvat	0.00	0.00	0.00	0.00	0.00	0.00
Loan Given	0.00	0.00	0.00	0.00	99.10	83.36
Total	39.5	66.38	1.67	0.16	99.23	83.49

Annexure - XV**Related party disclosure in accordance with AS - 18**

The company has entered into following related party transactions during financial year ended March 31, 2009, 2010, 2011, 2012, 2013 and for the period ended November 30, 2013. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Current List of Related Parties

List of Related Parties	Relationship
Mr. Anandrao Gole	Current Promoter & Director
Mr. Jairaj Bafna	Current Promoter & Director
Transparent Shares and Securities Limited (Artha Vrddhi Securities Limited)	Ex - Promoter **
Mr. Ankur Choksi	Ex - Promoter & Director **
Mr. Krishnakant Choksi	Ex - Promoter & Director **
Ms. Raksha Choksi	Director **

** Discontinued from August 2013 pursuant to sale of business to current promoters

(₹ In lacs)

PARTICULARS	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
<u>Loans & Advances</u>						
Transparent Shares and Securities Limited (Artha Vrddhi Securities Limited)	39.50	66.38	0.00	80.00	80.00	0.00
<u>Directors Remuneration</u>						
Mrs. Raksha Choksi	0.00	5.48	7.20	3.60	0.00	0.00
Mr. Anandrao Gole	0.50	0.00	0.00	0.00	0.00	0.00
<u>Investment in Subsidiary</u>						
Advantage Commodities Private Limited	87.50	0.00	0.00	0.00	0.00	0.00

Annexure - XVI

Statement of Dividend paid: No Dividend Paid Till Date

Annexure - XVII**Statement of Investments**

Non Current Investments

(₹ in Lacs)

Particulars	As at					
	30.11.13	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Investment in Subsidiary	87.50					
Jayana Mafa (I) Ltd.		43.63	43.63	43.63	43.63	43.63
Evershine Commosales Private Limited	17.50	17.50	0.00	0.00	0.00	0.00
Hilton Neal Comm Pvt. Ltd.	17.50	17.50	0.00	0.00	0.00	0.00
Short Term						
Quoted	16.64	17.52	0.00	0.00	0.00	0.00
Mutual Fund	0.00	0.00	0.00	0.00	0.00	40.00
Total	139.14	96.15	43.63	43.63	43.63	83.63

Annexure - XVIII

There were no qualifications in the Auditors' report for the year ending on March 31, 2009, 2010, 2011, 2012 and 2013 and for period ended November 30, 2013.

Annexure - XIX**Changes in the Significant Accounting Policies**

There has been no change in the significant accounting policies.

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

We are currently engaged in the business of trading of iron & steel products, suitings & shirtings and other dress materials and agriculture products. We are a multi-product trading company with a diverse product portfolio. We currently trade into following category of products:

- i) Iron & Steel Products
- ii) Textile Products

We are currently serving the corporate and other clients. Our trading customers include Valrack Modular Sysyems Private Limited, Jay Traders and Rose Impex.

Further we are in the process of adding the new products and also enhancing the portfolio within the existing categories.

The Company has plans to engage in buying and selling of various Agricultural as well as Non - Agricultural Commodities through Local Mandis and Markets and/or Exchanges either for arbitrage and/or investment as and when there is a suitable opportunity.

Our Company is also offering the commodity broking services through our subsidiary company Advantage Commodities Private Limited (ACPL). ACPL is engaged in the business of commodities broking through its membership of MCX. Our Company acquired shares of ACPL on August 13, 2013. ACPL has applied to MCX for approval for change in shareholding pattern amounting to change in management. The application is currently pending with MCX.

Significant developments subsequent to the last financial year:

Other than as mentioned below, after the date of last financial year i.e. March 31, 2013, the Directors of our Company confirm that, there have not been any significant material developments.

Our Company has raised ₹ 827.00 Lacs by issuing 82,70,000 Equity Shares to Promoters, Friends and Other Strategic Investors. We intend to utilise the above amount on the expansion of our Company including the following:

- a. Expansion of our Commodity Broking Business
- b. Brand Building exercise
- c. Strengthen the Management Team
- d. Other Corporate Purposes

Key factors affecting the results of operation:

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

Competition

Our Company faces significant competition from other companies operating in the markets in India in which we operate. Some of these firms have greater resources and/or a more widely recognised brand than we have, which

may give them a competitive advantage. Our ability to grow revenues will depend on demand for our products and services in preference to those of its competitors.

Growth in the Indian economy

General economic conditions in India have a significant impact on our results of operations. The Indian economy has grown rapidly over the past decade and is expected to continue to grow in the future. We believe growth in the overall economy has driven, and will drive, the underlying demand for our products. **Regulatory developments**

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.

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 years ended 31st March, 2009, 2010, 2011, 2012, 2013 and period ended November 30, 2013.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 102 of the Prospectus.*

RESULTS OF OUR OPERATION

For the period ended November 30, 2013

(₹ Lacs)		
Particulars	Amount	% to Total Income
Sales of Products Traded by the Company	1,354.97	
Other Income	2.50	
Total Income	1,357.47	
Expenditure		
Purchase of Traded Goods	1,342.75	98.92%
Administrative & Other Expenses	5.77	0.42%
Total Expenditure	1,348.52	99.34%
Profit Before Interest, Depreciation and Tax	8.95	0.66%
Depreciation	1.77	0.13%
Profit Before Interest and Tax	7.18	0.53%
Financial Charges	0.02	0.00%
Profit before Taxation	7.17	0.53%
Tax Impact	0.68	0.05%
Profit After Tax but Before Extra ordinary Items	6.49	0.48%

Turnover

We recorded gross turnover of ₹ 1354.97 Lacs which consists of trading of iron & steel and textile products by our company. Our turnover consists of trading sale of iron & steel and textile products.

We had other income of ₹ 2.50 Lacs which consisted of interest received.

Operating Expenses

Purchase of traded goods stood at ₹ 1342.75 Lacs which was 99.57% of the total operating expenses and 98.92% of the total income.

Administrative and Other Expenses stood at ₹ 5.77 Lacs which was 0.43% of the total operating expenses and 0.42% of the total income.

Depreciation

We incurred Depreciation cost of ₹ 1.77 Lacs, which is 0.13% of our total income.

Interest and Financial Charges

There was no interest expense and financial charges consists of bank charges of ₹ 0.02 Lacs.

Profits

Our PBIDT stood at ₹ 8.95 Lacs for the period ended November 30, 2013 with the PBIDT margin of 0.66%. We recorded PBT of ₹ 7.17 Lacs and PBT margin stood at 0.53%. We recorded Net Profit of ₹ 6.49 Lacs. Our Net Profit Margin stood at 0.48%.

RESULTS OF OUR OPERATION

Results of Operations for the FY 2011, 2012 and 2013

	(₹ Lacs)		
Particulars	31-Mar-13	31-Mar-12	31-Mar-11
Income			
Trading Sales	2.31	-	17.09
Export Sales	-	-	-
Total Operating Income	2.31	-	17.09
Other Income	9.69	9.14	6.06
Changes in inventories of finished goods, work-in-progress and Stock- in-trade	-	-	(17.09)
Total Income	12.00	9.14	6.06
Increase/Decrease (%)	31.29%	50.83%	
Expenditure			
Administrative and Other Expenses	8.48	7.95	4.11
Increase/Decrease (%)	6.67%	93.43%	
% to Total Income	70.67%	86.98%	67.82%
PBIDT	3.52	1.19	1.95
Increase/Decrease (%)	195.80%	-38.97%	
% to Total Income	29.33%	13.02%	32.18%
Depreciation	0.12	0.23	0.25
Increase/Decrease (%)	-47.83%	-8.00%	
% to Total Income	1.00%	2.52%	4.13%
Profit Before Interest and Tax	3.40	0.96	1.70
Increase/Decrease (%)	254.17%	-43.53%	
% to Total Income	28.33%	10.50%	28.05%
Interest & Financial Charges	0.55	0.01	0.03

Increase/Decrease (%)	5400.00%	-66.67%	
% to Total Income	4.58%	0.11%	0.50%
Profit before Taxation	2.85	0.95	1.67
Increase/Decrease (%)	200.00%	-43.11%	
% to Total Income	23.75%	10.39%	27.56%
Tax Effect	0.88	0.30	0.52
Increase/Decrease (%)	193.33%	-42.31%	
% to Total Income	7.33%	3.28%	8.58%
Profit After Tax	1.97	0.65	1.15
Increase/Decrease (%)	203.08%	-43.48%	
% to Total Income	16.42%	7.11%	18.98%

COMPARISON OF FY 2013 WITH FY 2012:

Total Operating Income

The Total operating income for the FY 2013 is ₹ 2.31 Lacs which consists of trading income as compared to ₹ Nil Lacs during the FY 2012.

Total Income

The Total income for the FY 2013 is ₹ 12.00 Lacs as compared to ₹ 9.14 Lacs during the FY 2012. Other income for FY 2013 is ₹ 9.69 Lacs as compared to ₹ 9.14 Lacs during the FY 2012.

Administrative and Other Expenses

Administrative and Other Expenses increased from ₹ 7.95 Lacs for FY 2012 to ₹ 8.48 Lacs for FY 2013. Administrative and Other Expenses stood at 86.98% and 70.67% of Total income for FY 2012 and FY 2013 respectively.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT increased from ₹ 1.19 Lacs for FY 2012 to ₹ 3.52 Lacs for FY 2013. During FY 2013, our Company recorded PBDIT of 29.33% of the Total income as against 13.02% during FY 2012.

Depreciation

Depreciation on fixed assets was 1.00% of Total income during FY 2013 as compared to 2.52% during FY 2012. The total depreciation during FY 2012 was ₹ 0.23 Lacs and during FY 2013 it was ₹ 0.12 Lacs.

Financial Charges

There is no interest expenditure since our Company is not having any secured or unsecured borrowings. Financial Charges mainly include bank charges. Financial charges during FY 2013 were ₹ 0.55 Lacs and for FY 2012 stood at ₹ 0.01 Lacs.

Profit after Tax and restatement adjustment (PAT)

PAT for the FY 2013 stood at ₹ 1.97 Lacs as against ₹ 0.65 Lacs in FY 2012. During FY 2013, our Company recorded PAT margin of 16.42% as against margin of 7.11% for FY 2012.

COMPARISON OF FY 2012 WITH FY 2011:

Total Operating Income

The Total operating income for the FY 2012 is ₹ Nil as compared to ₹ 17.09 Lacs during the FY 2011 which consists of trading income.

Total Income

The Total income for the FY 2012 is ₹ 9.14 Lacs as compared to ₹ 6.06 Lacs during the FY 2011. Other income for FY 2012 is ₹ 9.14 Lacs as compared to ₹ 6.06 Lacs during the FY 2011. Further there is negative change in inventory during FY 2011 of ₹ 17.09 Lacs.

Administrative and Other Expenses

Administrative and Other Expenses increased from ₹ 4.11 Lacs for FY 2011 to ₹ 7.95 Lacs for FY 2012. Administrative and Other Expenses stood at 67.82% and 86.98% of Total income for FY 2011 and FY 2012 respectively.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT decreased from ₹ 1.95 Lacs for FY 2011 to ₹ 1.19 Lacs for FY 2012. During FY 2012, our Company recorded PBDIT of 13.02% of the Total income as against 32.18% during FY 2011.

Depreciation

Depreciation on fixed assets was 2.52% of Total income during FY 2012 as compared to 4.13% during FY 2011. The total depreciation during FY 2011 was ₹ 0.25 Lacs and during FY 2012 it was ₹ 0.23 Lacs.

Financial Charges

There is no interest expenditure since our Company is not having any secured or unsecured borrowings. Financial Charges mainly include bank charges. Financial charges during FY 2012 were ₹ 0.01 Lacs and for FY 2011 stood at ₹ 0.03 Lacs.

Profit after Tax and restatement adjustment (PAT)

PAT for the FY 2012 stood at ₹ 0.65 Lacs as against ₹ 1.15 Lacs in FY 2011. During FY 2012, our Company recorded PAT margin of 7.11% as against margin of 18.98% for FY 2011.

Related Party Transactions

For further information please refer “Annexure XV” beginning on page 117 under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 102 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

Our Company is not currently exposed any major interest rate risks. However, any future borrowings may result into the same.

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 prices quoted by competitors.

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 62 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 in nature.

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

- For the period ended November 30, 2013, we have only 3 Clients which contributed almost 100% of our sales.
- 100% of our purchases are from 4 suppliers, for the period ended November 30, 2013.

10. Competitive conditions.

Competitive conditions are as described under the *Chapters titled “Industry Overview” and “Business Overview” beginning on pages 62 and 73, respectively of the Prospectus.*

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

I. Litigations involving our Company

A. *Against our Company*

NIL

B. *By our Company*

NIL

II. Litigations involving our Directors / Promoters

A. *Against our Directors / Promoters*

NIL

B. *By our Directors / Promoters*

NIL

III. Litigations involving our Group Entities

A. *Against our Group Entities*

NIL

B. *By our Group Entities*

NIL

IV. Other litigations involving any other entities which may have a material adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

V. Potential Litigations

There are no potential litigations against our Company, our Promoters, our Directors, our Subsidiary or our Group Entities that we are currently aware of or in connection with which, we have received notice.

VI. Details of the past penalties imposed on our Company / Directors

As on the date of the Prospectus, no penalties have been imposed on our Company or any of our Directors.

VII. Amounts owed to small scale undertakings or any other creditors

There are no outstanding dues above ₹ 1,00,000 to small scale undertaking(s) or any other creditors by our Company, for more than 30 days, except in the ordinary course of business.

VIII. Material developments occurring after last balance sheet date, that is, March 31, 2013

Except as disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company*” beginning on page number 119 of the Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in the Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or its ability to pay its material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of the Prospectus.

It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Regulations and Policies” beginning on page number 77 of the Prospectus.

A. Corporate / General Authorisations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of ‘Sahjanand Enterprises Private Limited’	Registrar of Companies, Maharashtra	11-62821 of 1991	Companies Act, 1956	August 6, 1991	Valid until cancelled
2.	Fresh Certificate of Incorporation on Change of Name to ‘Transparent Commodities Private Limited’	Registrar of Companies, Maharashtra	U74999MH1991P TC062821	Companies Act, 1956	March 17, 2011	Valid until cancelled
3.	Fresh Certificate of Incorporation on Conversion to Public Limited Company in the name of ‘Transparent Commodities Limited’	Registrar of Companies, Maharashtra	U74999MH1991P LC062821	Companies Act, 1956	August 7, 2013	Valid until cancelled
4.	Fresh Certificate of Incorporation on Change of Name to ‘Agrimony Commodities Limited’	Registrar of Companies, Maharashtra	U74999MH1991P LC062821	Companies Act, 1956	August 7, 2013	Valid until cancelled

B. Issue Related Authorisations

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on November 18, 2013, authorised the Issue subject to the approval by the shareholders of our Company under Section 81 (1A) of the Companies Act, such other authorities as may be necessary.
2. The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 81(1A) of the Companies Act, passed at their EGM held on December 11, 2013.
3. Our Company has obtained approval dated January 21, 2014 from the BSE.

C. Authorisations

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AAACS7552C	Valid until cancellation
2.	Tax Deduction Account Number	Income Tax Department, GoI	MUMT1673G	Valid until cancellation
3.	Tax Payer's Identification Number (TIN) (CST & VAT)	Commercial Tax Department	27521016513V	Valid until cancellation
4.	Professional Tax Registration	Joint Commissioner, Professional Tax	99632089103P	Valid until cancellation
5.	Registration Certificate of Establishment	Inspector under Maharashtra Shops & Establishments Act, 1948	760353453/Commercial II	December 31, 2014

D. Approvals applied for but not yet received/Renewals made in the usual course of business:

Advantage Commodities Private Limited has applied to MCX for approval for change in shareholding pattern amounting to change in management. The application is currently pending with MCX.

E. Material licenses / approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion

NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on November 18, 2013, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 81 (1A) of the Companies Act.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 81(1A) of the Companies Act at the EGM of our Company held on December 11, 2013.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page number 127 of the Prospectus.

We have received approval from BSE *vide* their letter dated January 21, 2014 to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities, 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 regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, none of our Directors are associated with any entities which are engaged in securities market related business and are registered with SEBI for the same.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been detained as willful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or are pending against them.

Our Directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no such proceedings are pending against our Company or them.

ELIGIBILITY FOR THIS ISSUE

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

Our Company is eligible for the Issue in accordance with Regulation 106(M)(2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is more than ten Crore Rupees and upto twenty five crore rupees and we may hence 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).

We confirm that:

- a) 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 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 32 of the Prospectus.
- b) 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 SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

- c) 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.
- 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 refer to the section titled “General Information – Details of the Market Making Arrangements for this Issue” on page 33 of the Prospectus.*

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

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

BSE ELIGIBILITY NORMS:

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 are disclosed as under:

(₹ lacs)		
Particulars	30-Nov-13	31-Mar-13
Fixed Assets (Net)	12.27	8.15
Intangible Assets	0.00	0.00
Current Assets, Loans & Advances	1,092.80	87.12
Investments	139.14	78.63
Less: Current Liabilities & provisions	586.43	1.78
Net Tangible Assets*	657.78	172.12

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:

(₹ lacs)		
Particulars	30-Nov-13	31-Mar-13
Net Worth	727.54	174.62

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.*

Our Company has a track record of three years. Our Company has distributable profits in terms of sec. 205 of Companies Act, 1956, as detailed below:

(₹ lacs)				
Particulars	30-Nov-13	31-Mar-13	31-Mar-12	31-Mar-11
Net Profit as per P&L Account	6.49	1.97	0.65	1.19

4. Other Requirements

The post-issue paid up capital of the company shall be at least ₹ 1 crore.

Our Company currently has a paid up capital in excess of ₹ 1 crore, and the Post Issue Capital shall be ₹ 11.39 crores.

The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

Our Company has entered into tripartite agreements with CDSL and NSDL along with our Registrar for facilitating trading in dematerialized mode. Also the Equity Shares allotted through this Issue will be in dematerialized mode.

Companies shall mandatorily have a website.

Our Company has a live and operational website: www.agrimonycommodities.com

5. Certificate from the applicant company / promoting companies 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.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED PRIVATE LIMITED HAVE 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, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED PRIVATE LIMITED, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED PRIVATE LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 22, 2014 WHICH READS AS FOLLOWS:

WE, THE LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT 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 COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, 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 COMPANY, WE CONFIRM THAT:**
 - a) THE OFFER DOCUMENT FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY SEBI, THE CENTRAL GOVERNMENT, AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c) THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES 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 OFFER DOCUMENT ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE OFFER DOCUMENT WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE OFFER DOCUMENT.**
- 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 EQUITY SHARES 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 OFFER DOCUMENT.**
- 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**

SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE OFFER DOCUMENT THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE AS THE ALLOTMENT WILL BE COMPULSORILY IN DEMAT MODE 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 OFFER DOCUMENT:**
 - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE 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 OFFER DOCUMENT WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY UNICON CAPITAL SERVICES PRIVATE LIMITED PRIVATE LIMITED, AS PER FORMAT**

SPECIFIED BY THE BOARD THROUGH CIRCULAR BEARING REFERENCE CIR/MIRSD/1/2012 DATED JANUARY 10, 2012.

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 OFFER DOCUMENT 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 OFFER DOCUMENT. – *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 OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) 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 OFFER DOCUMENT.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai, in terms of Section 56, Section 60 and Section 60(B) of the Companies Act.

Disclaimer Statement from our Company and the Lead Manager

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.agrimonycommodities.com, would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated December 13, 2013, the Underwriting Agreement dated December 13, 2013 entered into among the Underwriters and our Company and the Market Making Agreement dated December 13, 2013 entered into among the Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available 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 centers, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company 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.

Price Information and the track record of the past Issues handled by the Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to ‘**Annexure A**’ to the Prospectus and the website of the Lead Manager at www.uniconindia.in

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 applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 lacs, pension funds with minimum corpus of ₹ 2,500 lacs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company the Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India 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 himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of the Bombay Stock Exchange Limited

BSE Limited (“BSE”) has given *vide* its letter dated January 21, 2014, 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.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the Corporation Finance Department, SEBI Bhawan, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. A copy of the Prospectus, along with the documents required to be filed under Section 60 of the Companies Act, 1956 / under Section 32 of the Companies Act, 2013 will be delivered to the RoC, Maharashtra situated at Everest Building, 100, Marine Drive, Mumbai - 400 002, Maharashtra, India..

Listing

The Equity Shares issued through the Prospectus are proposed to be listed on the SME platform of BSE Limited. In-principle approval for listing of the Equity Shares of our Company from BSE has been received *vide* its letter dated January 21, 2014. BSE will be the Designated Stock Exchange with which the basis of allotment will be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares is not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% p.a. 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 BSE mentioned above are taken within 12 Working Days of the Issue Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

We have obtained consents in writing of our Directors, Company Secretary and Compliance Officer, the Lead Manager, the legal counsel to the Issue, the Bankers to our Company, the Registrar to the Issue. We will obtain consents in writing of the Market Maker(s), Refund Bank(s) and the Banker(s) to the Issue / Escrow Collection Bank(s) to act in their respective capacities. These consents will be filed along with a copy of the Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act.

In accordance with the Companies Act and the SEBI Regulations, V.R. Bhabhra & Co., Chartered Accountants our statutory auditors have agreed to provide their respective written consents for inclusion of their name, report on financial statements and report relating to the possible general and special tax benefits, as applicable, accruing to our Company and its shareholders, in the Prospectus in the form and context in which they appear in the Prospectus.

Further, such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

Except for (a) Statutory Auditors' reports on the restated financial statements; and (b) Statement of Tax Benefits by the statutory auditors, M/s V.R. Bhabhra & Co., Chartered Accountants (a copy of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ 36.78 lacs. The expenses of the Issue include, among others, underwriting and Issue management fees, Market Making fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated issue expenses are 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.	26.78
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	5.00
3.	Regulatory fees and other expenses	5.00
Total		36.78

Details of Fees Payable

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Memorandum of Understanding dated December 13, 2013 executed between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated November 13, 2013, a copy of which is available for inspection at our Registered Office.

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 by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

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.

Previous Rights and Public Issues during the Last Five Years

We have not made any previous rights and/or public issues during the last five years, and are an “Unlisted Issuer” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations.

Previous Issues of Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage on Previous Issues

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any capital issue during the last three years:

None of our Group Entities have made any capital issue during the last three years.

Performance vis-à-vis objects

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Entities has made public issue of equity shares during the period of ten years immediately preceding the date of filing draft offer document with the BSE.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our Company

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

- a. Investors will get the allotment of specified securities dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year 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 this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, 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 SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Issue for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Shareholders/ Investors Grievance Committee of the Board. For further details, please refer to the chapter titled “*Our Management*” beginning on page number 82 of the Prospectus.

Our Company has appointed Shailesh Vallabhnbhai Rakhasiya as the Company Secretary and Compliance Officer and he may be contacted at the following address. :

Agrimony Commodities Limited

701, 7th Floor, Kingston,
Tejpal Road, Vile Parle (E),
Mumbai – 400057, Maharashtra

Tel: +91 22 2612 4294

Fax: +91 22 2612 4294

Email: compliance@agrimonycommodities.com

Website: www.agrimonycommodities.com

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

Changes in Auditors during the last three financial years

W.e.f. FY 2013, M/s. V.R. Bhabra & Co., Chartered Accountants, were appointed the statutory auditors of our Company in place of the retiring statutory auditors M/s. Kalpesh Sunil & Associates, Chartered Accountants, who has expressed their inability to continue as the statutory auditor due to preoccupation. Other than as mentioned above, there has been no changes in the statutory auditors of our Company in the past three years. except that

Capitalisation of Reserves or Profits

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page number 36 of the Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

Our Company has not revalued its assets since incorporation.

SECTION VII - 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 165 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 ₹ 10 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 52 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 165 of the Prospectus.

Minimum Application Value, Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, 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 10,000 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 10,000 Equity Share subject to a minimum allotment of 10,000 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 10,000 Equity Share subject to a minimum allotment of 10,000 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 Mumbai.

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:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other 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 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 SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

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 10,000 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 36 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 165 of the Prospectus.

Option to receive Equity Shares in Dematerialized Form

Investors will get the allotment of specified securities in dematerialization form only. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

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:

- a) 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

- b) 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.

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 the 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 33 of the Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Issue Program:

Bidding / Issue Period:

ISSUE OPENS ON	Friday, January 31, 2014
ISSUE CLOSES ON	Tuesday, February 04, 2014

Applications and 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 Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities 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 141 and 147 of the Prospectus.

Particulars	Net Issue to Public [^]	Market Maker reservation portion
Number of Equity Shares*	28,60,000 Equity Shares	1,60,000 Equity Shares
Percentage of Issue Size available for allocation	94.70% of the Issue Size	5.30% of the Issue Size
	25.11% of the Post Issue Paid up Capital	1.40% of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 10,000 Equity Shares and Further allotment in multiples of 10,000 Equity Shares each. For further details please refer to the section titled "Issue Procedure-Basis of Allotment" on page 152 of the 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	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <u>For Retail Individuals:</u> 10,000 Equity Shares	1,60,000 Equity Shares
Maximum Bid	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application Size does not exceed 57,60,000 Equity Shares <u>For Retail Individuals:</u> 20,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	1,60,000 Equity Shares
Mode of Allotment	Dematerialized Form only	Dematerialized Form only
Trading Lot	10,000 Equity Shares	10,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of payment	Entire Application Amount shall be payable at the time of submission of Application Form.	

Particulars	Net Issue to Public [^]	Market Maker reservation portion
	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.	

[^]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, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

Issue Programme

ISSUE OPENS ON	Friday, January 31, 2014
ISSUE CLOSES ON	Tuesday, February 04, 2014

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

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is also available on the websites of BSE and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Our Company, and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and this Prospectus.

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(2) 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 the 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?

1. Indian nationals resident in India who are not minors in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this issue;
6. Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co operative banks (subject to RBI regulations and the SEBI Regulations, as applicable);
7. FIIs registered with SEBI;
8. Venture Capital Funds registered with SEBI;
9. State Industrial Development Corporations;
10. 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;
11. Scientific and/or industrial research organizations authorized to invest in equity shares;
12. Insurance Companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;
14. Pension Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;
15. Foreign Venture Capital Investors registered with SEBI;
16. Multilateral and bilateral development financial institutions;
17. National Investment Fund; and

Applications not to be made by:

- a. Minors
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. 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

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- c. 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 the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

(a) For Retail Individual Applicants

The Application must be for a 10,000 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.

(b) 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 10,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, Non Institutional Applicants and QIB Applicants 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 the 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 FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 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:

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) 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.

- d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- e) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- f) 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 Mumbai.

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:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 10,000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 10,000 equity shares; and

- b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 10,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 10,000 equity shares subject to a minimum allotment of 10,000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 10,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below
 - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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 Merchant Banker 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 ₹ 10 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. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - Indian Public including eligible NRIs applying on non repatriation basis: "Agrimony – Public Issue - R".
 - In case of Non Resident Retail Applicants applying on repatriation basis: "Agrimony – Public Issue – NR"
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non Resident Ordinary (NRO) Account of Non Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.

4. On the Designated Date and no later than 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.

Payment by Stock invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

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

- i. 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.
- ii. 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.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

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 10,000;
- Category not ticked;
- Multiple Applications as defined in the 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 December 13, 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 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Bengali 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.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within three months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 113 of the Companies Act, 1956 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates.

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:

- 1) **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.
- 2) **Direct Credit** – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
- 3) **RTGS (Real Time Gross Settlement)** – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ₹ 10.00 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

- 4) **NEFT** (*National Electronic Fund Transfer*) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- 5) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 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:

- 1) Allotment of Equity Shares shall be made within 12 (twelve) days of the Issue Closing Date;
- 2) 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
- 3) 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 SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously;
- 2) 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;

- 3) 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;
- 4) 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;
- 5) That the certificates of the securities/ refund orders to the non resident Indians shall be dispatched within specified time; and
- 6) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013;
- 2) details of all monies 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
- 3) 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
- 4) Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the 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. If our Company withdraws the issue after the Issue Closing Date, our Company shall be required to file a fresh draft offer document with the BSE. 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, other than retail 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 January 08, 2014 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated October 10, 2013 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. 567P01018

- 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 the 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. If such money is not repaid within eight days from the date the issuer becomes liable to repay it, then the issuer 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 SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the issuer and each officer in default may be punishable with fine and/or imprisonment in such a case. 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 VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

The Authorised capital of our Company is ₹ 12,50,00,000 divided into ₹ 1,25,00,000 Equity Shares of ₹ 10 each.

Title of Article	Article Number	Content
Table "A" not to apply	1	Save as reproduced herein the regulations contained in Table 'A' in Schedule I to the Act shall not apply to the Company.
		CAPITAL AND INCREASE AND REDUCTION OF CAPITAL
Amount of Capital	3	The Authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company.
Increase of Capital by the Company and how carried in to effect	4	The Company in General Meeting may, from time to time, increase the Capital i by the creation of new Shares. Such increase to be of such aggregate amount and to be divided into such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, or otherwise and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 87 of the Act Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
'Office'	5	Except in so far as otherwise provided in the conditions of issue of shares by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, Hen, surrender, transfer and transmission, voting and otherwise.
Redeemable Preference Shares	6	Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which at or at the option of the Company are Redeemable Preference Shares liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms at-id conditions of redemption.
Provision applicable on issue of redeemable Preference Shares	7	On the issue of Redeemable Preference Shares under the Provisions of Article 6 hereof, the following provisions shall take effect: (a) 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 i of a fresh issue of shares made for the purpose of the redemption; (b) no such shares shall be redeemed unless they are fully paid; (c) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
Reduction of Capital	8	The Company may (subject to the provisions of Section 78, 80, 100 to 105 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
Sub-division, consolidation and cancellation of shares	9	Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
Modification of rights	10	Whenever the Capital is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis

		mutandis apply to every such Meeting but so that the quorum thereof shall be members present in person or by proxy and holding three-fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if it were omitted.
		SHARES AND CERTIFICATES
<i>Register and index of Members</i>	11	The Company shall cause to be kept a Register and index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.
<i>Shares to be numbered progressively and no share to be sub-divided</i>	12	The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
<i>Borrowings</i>	13	<p>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 unissued share capital or out of increased share, capital then such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances permit, to the capital paid-up on these shares on that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.</p> <p>Notwithstanding anything contained in the preceding sub-clause, the Company may</p> <p>(i) by a special resolution; or</p> <p>(ii) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes if any, cast against the proposal by members so entitled to 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, offer further shares to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.</p> <p>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.</p>
<i>Shares under control of Directors</i>	14	Subject to the provisions of these Articles and of the Act, the Shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power to give any person the option to call for or be allotted shares of any class of the Company either at par or at a discount and for such time and at such consideration as the Directors think fit. The Board of Directors shall cause to be made the return as to allotment provided for in Section 75 of the Act.
<i>Power also to Company in General Meeting to authorise issue of shares</i>	15	In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 13 and 14, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company, either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.
<i>Accepting of shares</i>	16	Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share term shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts shares and whose name is on the Register shall for the purpose of these Articles, be a member.
<i>Deposit and call to be a debt payable immediately</i>	17	The money (if any) which the Board shall, on the allotment of any share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly
<i>Liability of Members</i>	18	Every member, or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.
<i>Share Certificates</i>	19	<p>(a)</p> <p>Every member or allottee of shares shall be entitled, without payment, to receive one certificate</p>

		<p>specifying the name of the person in whose favour it is issued, the shares to which it is related and the amount paid-up thereon.</p> <p>Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons or requisite value, save in cases of issues against letters of acceptance of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney, and the Secretary or some other person appointed by the Board for the purpose; and two directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits it at least one of the aforesaid two Directors shall be a person other than a Managing or Whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to the person first named which shall be sufficient delivery to all of them. For any further certificate the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical or electrical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the Purpose.</p>
<i>Renewal of Share Certificate</i>	20	<p>(a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is issued in lieu of Share Certificate No..... sub- divided/replaced/ on consolidation of shares.</p> <p>(c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence an indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board may think fit.</p> <p>(d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is 'duplicate issued in lieu of share certificate No.....'. The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.</p> <p>(e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes be indicated in the Register of Members by suitable cross reference in the 'Remarks' column.</p> <p>(f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks and engravings relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose, and the Secretary or the other person as aforesaid shall be responsible for rendering an account of these forms to the Board.</p> <p>(g) The Managing Director of the Company for the time being or, if the Company has no managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-Article (f).</p> <p>(h) All books referred to in sub-Article (g) shall be preserved in good order permanently.</p>
<i>The first named joint holder deemed to be sold holder</i>	21	<p>If any share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any other matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares for all incidents thereof according to the Company's regulations.</p>
<i>Company not bound to recognize any interest in share other than that of registered holder</i>	22	<p>Except as ordered by a Court of competent jurisdiction, or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share, in the joint names of any two or more persons or the survivor or survivors of them.</p>
<i>Buyback of securities by the Company</i>	23	<p>The Company shall have power, subject to and in accordance with all the applicable provisions of the Act and the rules made thereunder, to purchase any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment out of its free reserves or securities premium account of the Company or proceeds of any shares or other specified securities provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by Law on such terms, conditions and in such manner as may be prescribed by the Law from time to time in respect of such purchase.</p>

UNDERWRITING AND BROKERAGE		
<i>Commission may be paid</i>	24	Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
<i>Brokerage</i>	25	The Company may pay a reasonable sum for brokerage.
INTEREST OUT OF CAPITAL		
<i>Interest may be paid out of capital</i>	26	Where any shares are issued for the purpose of raising money to defray the expenses of the Construction of any work or building, or the 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, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.
CALLS		
<i>Directors, may make calls</i>	27	The Board may, from time to time and subject to the term on which any shares 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 call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.
<i>Notice of calls</i>	28	Fifteen days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
<i>Calls to date from resolution</i>	29	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.
<i>Calls may be revoked or postponed</i>	30	A call may be revoked or postponed at the discretion of the Board.
<i>Joint and Severage</i>	31	The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof
<i>Directors may extend time</i>	32	The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour.
<i>Calls to carry interest</i>	33	If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be, liable to pay interest of the same from the day appointed for the payment the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
<i>Sums deemed to be calls</i>	34	Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share 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.
<i>Proof on trail of suit for money due on shares</i>	35	On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holders at or subsequently to the date at which the money is sought to have become due on the shares in respect of which is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call, 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 duly convened or constituted nor any other matter whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.
<i>Partial payment not to preclude forfeiture</i>	36	Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor 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 hereinafter provided.
<i>Calls in advance</i>	37	(a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the accounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the member three months notice in writing. Provided that moneys paid in advance of calls on any shares may carry

		interest but shall not confer a right to dividend or to participate in profit. (b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
		LIEN
<i>Company to have lien on shares</i>	38	The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing, and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall Operate as a waiver of the Company's lien, if any, on such shares.
<i>As to enforcing lien by sale</i>	39	For the purpose of enforcing such lien, the Board may sell the shares 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 as may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfilment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
<i>Application of proceeds of sale</i>	40	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 at the date of the sale.
		FORFEITURE OF SHARES
<i>If call or instalment not paid notice may be given</i>	41	If any member fails to pay any call or instalment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or instalment remains unpaid, Serve notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such nonpayment.
<i>Form of notice</i>	42	The notice shall name a day (not being less Than Thirty days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment at or before the time, and at the place appointed the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.
<i>If notice not complied with shares may be forfeited</i>	43	If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture
<i>Notice of the forfeiture to a Member</i>	44	When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.
<i>Forfeited share to become property of the company</i>	45	Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as it thinks fit.
<i>Power to annul forfeiture</i>	46	The Board may, at any time before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
<i>Liability on forfeiture</i>	47	A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding remain liable to pay, and shall forthwith pay to the Company, all calls, or instalment, interest and expenses, owing in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
<i>Effect of forfeiture</i>	48	The forfeiture of a share involve extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.
<i>Evidence of forfeiture</i>	49	A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares, in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
<i>Cancellation of share certificate in respect of forfeited shares</i>	50	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES		
<i>Register of transfers</i>	51	The Company shall keep a book to be called the 'Register of Transfers', and therein shall be fairly and directly entered particulars of every transfer or transmission of any share.
<i>Instruments of transfer</i>	52	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 the registration thereof
<i>To be executed by transferor and transferee</i>	53	Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any share in favour of a minor (except in cases when they are fully paid up).
<i>Transfer books when closed</i>	54	The Board shall have power on giving 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 the aggregate forty-five days in each year, as it may deem expedient.
<i>Directors may refuse to register transfer</i>	55	Subject to the provisions of Section 111 & 111A of the Act, the Board of Directors may at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (notwithstanding the proposed transferee be already a Member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the 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 where the Company has lien on shares.
<i>Nomination</i>	56	<p>Every holder of shares in, or Debentures of the Company may at any time nominate, in the manner prescribed wider the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.</p> <p>Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Shares or Debentures of the Company, as the case may be, held by them shall-vest in the event of death of all joint holders.</p> <p>Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in, or Debentures of the Company, the nominee shall, on the death of the Shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to an the rights in the Shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.</p> <p>Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.</p>
<i>Transmission in the name of the nominee</i>	57	<p>Any person who becomes a nominee by virtue of the provision of the above Article, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either :-</p> <p>a) to be registered himself as holder of the shares or debentures, as the case may be; or</p> <p>If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debentureholder and the certificate(s) of Shares or Debentures, as the case may be, held by the deceased in the Company.</p> <p>Subject to the provisions of Section 109B(3) of the Act and these Articles, the Board may register the relevant Shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the Shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debentureholder, as the case may be.</p> <p>A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise, any right conferred on a member or Debenture holder in relation to meetings the Company.</p> <p>The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or Debentures, and the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.</p>
<i>No transfer to insolvent etc.</i>	58	No share shall in any circumstances be transferred to any insolvent or persons of unsound mind.
<i>Registration of persons entered into shares otherwise than by transfer (the transmission article)</i>	59	Subject to the provisions of articles 56 and 57, any person becoming entitled to Registration of shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, persons entitled to or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence article) that he sustains the character in respects of which he proposes to act under this article of his title, as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of

		transfer in accordance with the provisions therein contained and until he does so, he shall not be free from any liability in respect of the shares. This Article is referred to in these Articles as the Transmission Article.
<i>Person entitled may receive dividend without being registered as member</i>	60	A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receives and may give discharge for any dividends or other moneys payable in respect of the share.
<i>Transfer to be presented with evidence of title</i>	61	Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.
<i>Conditions of registration of transfer</i>	62	For the purpose of the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (same as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.
<i>Fee on transfer or shares to the same party</i>	63	There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.
<i>Company not liable for disregard of a notice in prohibiting registration of a transfer</i>	64	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effort to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the Prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.
	64A	DEMATERIALISATION OF SECURITIES
<i>Definitions</i>		For the purpose of this Article: “Beneficial Owner” means a person or persons whose name is recorded as such with a depository, ‘SEBI’ means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992 and “Depository” means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance with the provisions of the Depositories Act, 1996.
<i>Dematerialisation of securities</i>		The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
<i>Options for investors</i>		Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities. If a person opts to hold his Securities with the depository, the Company shall intimate such depository the details of allotment of the Securities, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Securities.
<i>Securities in depositories to be infungible form</i>		All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
<i>Rights of Depositories and beneficial owners</i>		(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner. (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository and shall be deemed to be a Member of the Company.
<i>Service of Documents</i>		Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a depository, the records of the beneficiary ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
<i>Transfer of Securities</i>		Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
<i>Allotment of Securities dealt with in a Depository</i>		Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
<i>Distinctive Number of Securities held</i>		Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

<i>in a Depository</i>		
<i>Register and index of Beneficial Owners</i>		The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.
		COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS
<i>Copies of Memorandum and Articles of Association be sent by the Company</i>	65	Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board to every Member at his request within 7 days of the request on payment of Re. 1/- for each copy.
		BORROWING POWERS
<i>Power to borrow</i>	66	The Board may, from time to time, at its discretion subject to the provisions of Section 292 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
<i>Conditions on which money may be borrowed</i>	67	The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
<i>Issued at discount etc. or with special privileges</i>	68	Any debentures, debenture-stock, bonds and other securities may be issued at a discount and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Debentures, debenture-stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with sanction of the Company in General Meeting.
<i>Instrument of transfer</i>	69	Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
<i>Notice of refusal to register transfer</i>	70	If the Board refuses to register the transfer of any debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor the notice of such refusal.
<i>Register of mortgages etc. to be kept</i>	71	The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118 and 125 and 127 to 144 both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.
<i>Register and Index of Debenture holders</i>	72	The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-holders, resident in that State or Country.
		CONVERSION OF SHARES INTO STOCK AND RECONVERSION
<i>Shares may be converted into stock</i>	73	The Company in General Meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may at any time re-convert any stock into paid-up shares of any denomination.
<i>Right to Stockholders</i>	74	The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends and voting at the meetings of the Company, and other matters as if they held the shares from which the stock arose; but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
		MEETING OF MEMBERS
<i>Annual General Meeting Annual Summary</i>	75	The company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the revisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for on a time during business hours, on a day that is not a public holiday, and shall be held in the office of the company or at some other place within the city in which the office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of

		the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report (if not already attached in the Audited statement of Accounts) the proxy Register with proxies and the Register of Directors' Share holdings of which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.
<i>Extraordinary general meeting</i>	76	The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
<i>Regulations of Members to state object of meeting</i>	77	Any valid requisition so made by members must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in file form each signed by one or more requisitionists.
<i>On receipt of requisitions Directors to call meeting and in default requisitionists may do so</i>	78	Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represents either a majority in value of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
<i>Meeting called by requisitionists</i>	79	Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.
<i>Twenty one days notice of meeting to be given</i>	80	Twenty-one days' notice at least of every General Meeting, Annual or Extraordinary and by whosoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting any be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors (H) the declaration of dividend, (iii) the appointment of Directors in place of those retiring (iv) the appointment of and fixing of remuneration of the Auditors, is proposed to be transacted then in that event there shall be annexed to the notice of the Meeting a statement setting out all materials facts concerning each such item of business including in particular, the nature of concern or interest, if any, therein of every director, and the Manager (if any). Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in other company of every Director and the Manager, if any, of the Company shall also be set out in the Statement if the extent of such share holding interest is not less than 20 percent of the paid-up share capital of that other company Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
<i>Omission to give notice not to invalidate a resolution passed</i>	81	The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate the holding of the meeting or any resolution passed at any such meeting.
<i>Meeting not to transact business not mentioned in notice</i>	82	No General Meeting Annual or Extra-ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
<i>Quorum at General Meeting</i>	83	Five members present in person shall be quorum for a General Meeting
<i>Body Corporate deemed to be personally present</i>	84	A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.
<i>If quorum not present meeting to be dissolved or adjourned</i>	85	If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place in the city or town in which the office of the Company is for the time being situate as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called
<i>Chairman of General Meeting</i>	86	The Chairman (if any) of the Board shall be entitled to take the chair at every general Meeting whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the Chair, then the directors present may choose one of their member to be the Chairman of the meeting. If no director be present or if all the directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman
<i>Business confined to</i>	87	No business shall be discussed at any General Meeting except the election of a

<i>election of Chairman while chair vacant</i>		Chairman, while the chair is vacant
<i>Chairman with consent may adjourn meeting</i>	88	The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is hold but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
<i>Questions at General Meeting how decided</i>	89	At any General Meeting a resolution put to vote at the meeting shall be decided on a show of hands, unless a Poll is (before or on the declaration of the result of the show of hands) demanded by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid-up on all the shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution
<i>Chairman's casting vote</i>	90	In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.
<i>Poll to be taken if demanded</i>	91	If a poll is demanded as aforesaid, the same shall, subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawal at any time by the person or persons who made the demand.
<i>Scrutineers at poll</i>	92	Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such member is available and Willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a Scrutineer from office and fill vacancies in the office of Scrutineer from such removal or from any other cause.
<i>In what case poll taken without adjournment</i>	93	Any poll duly demanded on the election of Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.
<i>Demand for poll transaction of not to prevent other business</i>	94	The demand for a poll except on the questions of the election of the Chainman 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 demanded
VOTE OF MEMBERS		
<i>Members in arrears not to vote</i>	95	No member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders, either upon a show of hands or upon a poll 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.
<i>Number of vote which member entitled</i>	96	Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
<i>Casting on votes by a member entitled to more than one vote</i>	97	On a poll taken at meeting of the Company a member entitled to more than one vote, or his proxy 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 used or may abstain from voting.
<i>How members non-composmentis and minor may vote</i>	98	A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any One of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
<i>Votes of joint holders</i>	99	If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto by the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said

		persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.
<i>Voting in persons or by proxy</i>	100	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
<i>Votes in respect of shares of deceased and insolvent member</i>	101	Any person entitled under Article 60, to transfer any share may vote at any General Meeting in respect thereof in the same manner, as if he were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
<i>Appointment of proxy</i>	102	Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointee or his attorney, or if such appoint or is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.
<i>Proxy either for specified meeting or a period</i>	103	An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
<i>Proxy to vote only on a poll</i>	104	A member present by proxy shall be entitled to vote only on a poll.
<i>Deposit of instrument of appointment</i>	105	The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not later than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
<i>Form of proxy</i>	106	Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
<i>Validity of votes given by proxy notwithstanding death of Member</i>	107	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or 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 or insanity, revocation or transfer shall have been received at the office before the meeting.
<i>Time for objection of votes</i>	108	No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
<i>Passing of Resolution by postal ballot</i>	108 (A)	Notwithstanding anything contained in the foregoing, the company shall transact such business, as may be specified by the Central Government from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no meeting need to be held at a specified time and space requiring physical presence of members to form a quorum. Where a resolution will be passed by postal ballot the company shall, in addition to the requirements of giving requisite clear days notice, send to all the members the following: i) Draft resolution and relevant explanatory statement clearly explaining the reasons therefor ii) Postal ballot for giving assent or dissent, in writing by members and iii) Postage prepaid envelope (by Registered Post) for communicating assents or dissents on the postal ballot to the company with a request to the members to send their communications within 30 days from. The date of dispatch of Notice.
<i>The Chairman of the meeting to be the judge of validity of any vote</i>	109	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
<i>Minutes of General Meeting and inspection thereof by members</i>	110 (1)	The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion every such meeting concerned, entries thereof in books kept for purpose with their pages consecutively numbered.
	110 (2)	Each page of every such book shall be initialed or signed and the page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within aforesaid period of thirty days or in the event of the death or liability that Chairman within

		that period, by a Director duly authorised by Board for the purpose.
	110 (3)	In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise
	110 (4)	The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
	110 (5)	All appointments of Officers made at any meeting aforesaid shall include in the duties of the meetings.
	110 (6)	Nothing herein contained shall require or be deemed to require inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting :- (a) is or could reasonably be regarded, as, defamatory of any person or (b) is irrelevant or immaterial to the proceeding, or (c) is detrimental to the interest of the Company.
	110 (7)	Any such minutes shall be evidence of the proceedings recorded therein.
	110 (8)	The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any member without charge.
<i>Number of Directors</i>	111 (1)	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (excluding Director and Alternate Directors, (if any) shall not be less than three not more than twelve
	111 (2)	The first Directors of the Company were the following 1. ASHWIN KUMAR BABULAL SHAH 2. MUKESH KUMAR BABULAL SHAH
<i>Power to appoint ex-officio Directors</i>	112	If at any time the Company obtains any loan or any assistance in connection there with by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called “the institution”) or if at any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution, whereby the institution subscribes for or underwrites the issue of the Company’s shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint to one or more directors to the Board of the Company then subject to the provisions of Section 225 of the Act and subject to the terms and conditions of such loans, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or Directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The director or directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.
<i>Debenture Directors</i>	113	If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification share.
<i>Appointment of Director by small shareholder</i>	113 (A)	If the Company at any time have a minimum paid up capital of Rupees Five Crores or such sum as may be prescribed and at least one thousand or more small shareholders, then the company may, suomotto or upon requisition of not less than one tenth of the total number of small shareholders, proceed to appoint a nominee from amongst small shareholders as a Director of the Company. The small shareholders’ director shall before his appoint, file his consent, to act as a Director, in writing to the Company and the tenure of such appointment shall ne Three years at a time without retirement by rotation, but shall be eligible for reappointment for tenure. He shall, however, not be appointed as Managing Director or whole time Director under any circumstances and shall be subject to same disqualifications and shall vacate his office on the same grounds as are applicable to other Directors, in pursuance of these Articles. The Company shall follow such Rules as may be prescribed by the Central Govt. in this behalf.
<i>Appointment of Alternate Directors</i>	114	The Board may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office of the Original Director when he returns to that State. If the terms of office of the Original Director are determined before he so returns to that state, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
<i>Directors’ power to add to the Board or appointment of</i>	115	Subject to the provisions of Sections 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under the

<i>Additional Director</i>		Article 111. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.
<i>Share qualification of Directors</i>	116	Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the Capital of the Company as his qualification.
<i>Directors can act before acquiring qualification</i>	117	Without prejudice to the restrictions imposed by Section 226 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification, and every Director other than a Director appointed by the Central or State Government shall file with the Company a declaration specifying the qualification shares held by him within two months from his appointment as a Director.
<i>Directors' power to fill casual vacancies</i>	118	Subject to the provisions of Section 262, 264 and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
<i>Remuneration of Directors</i>	119 (1)	Subject to the provisions of the Act, a Managing Director, or Managing Directors or Director who is/are in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
	119 (2)	Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director, may be paid remuneration either (i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or (ii) by way of commission if the Company by a special resolution authorised such payment
	119 (3)	The fees payable to a Director (including a Managing or whole-time Director, if any), for attending a Meeting of the Board or Committee thereof may be in accordance with and subject to the provisions of Section 309 of the Act or such other sum as the Company in General Meeting may from time-to-time determine.
<i>Reimbursement of expenses to Directors for attending meetings of the Board</i>	120	The Board may allow any pay to any director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.
<i>Directors may act notwithstanding any vacancy</i>	121	The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by the Article 111 hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to that number or for summoning a General Meeting but for no other purpose.
<i>Vacation of office of Director</i>	122 (1)	The office of a Director shall ipso facto be vacated if :- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any necessary for his appointment; or (b) he is found to be of unsound mind by a Court of competent jurisdiction; or (c) he applies to be adjudicated an insolvent; or (d) he is adjudged insolvent; or (e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; or (g) he absent from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board; or (h) he or any firm of which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or Security for a loan, from the Company in contravention of Section 295 of the Act; or (i) he acts in contravention of Section 299 of the Act; or (j) he has been removed from office in pursuance of Section 203 of the Act; or (k) by notice in writing to the Company that he resigns his office; or (l) Any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate the office.
<i>Vacation of office of Director</i>	122 (2)	Notwithstanding any matter or thing in sub-clauses (d), (e) and (j) of clause (1), the disqualification referred to in those sub-clauses shall not take effect. (a) for thirty days from the date of adjudication sentence or order; or (b) where an appeal or petition is preferred within the thirty days aforesaid against the

		<p>adjudication, sentence or conviction resulting in the sentenced, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) Where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of</p>
<i>Director may contract with Company</i>	123 (1)	A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or a private company of which the Company is a member or director, may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.
	123 (2)	<p>No sanction shall, however, be necessary for -</p> <p>(a) any purchase of goods and materials from the Company, or the sale of the goods or materials to the Company, by any such director, relative, firms partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the Company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs. 5,000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>Provided that in the circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may 'without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs. 5000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract and the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.</p>
<i>Disclosure of interest</i>	124	A director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract 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 or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act, provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company either himself or along with his relatives holds or hold two per cent of the paid-up share capital in any such other company.
<i>General notice of interest</i>	125	A General Notice given to the Board by the Directors, to the effect that he is a director or member of a 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 notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired of such general notice and no renewal thereof, shall be of effect unless 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.
<i>Interested Directors not to participate or vote in Board's Proceedings</i>	126	<p>No director shall as Director take any part in the discussion of, or vote on any contract or arrangement 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, his vote shall be void; provided however that nothing herein contained shall apply to :-</p> <p>(a) any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.</p> <p>(b) 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 consists solely</p> <p>(i) in his being:</p> <p>(a) a director in such company, and</p> <p>(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company</p> <p>Or</p> <p>(iii) in his being a member holding not more than 2% of its paid-up share capital.</p>
<i>Register of contracts in which Directors are interested</i>	127	The Company shall keep a Register in accordance with Section 301(I) and shall within the time specified in section 301(2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the both the corporate and firms of which notice has been given by him under Article 125. The Register shall be kept at the office of the company and shall be

		open to inspection at such office, and extracts may be taken there from and copies thereof 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 provision of Section 163 of the Act shall apply accordingly.
<i>Directors may be Directors of companies promoted by the Company</i>	128	A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 209(6) or Section 314 of the Act may be applicable.
<i>Retirement and rotation of Directors</i>	129	At every Annual General Meeting of the Company, one-third if such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
<i>Ascertainment of Directors retiring by rotation and filling of vacancies</i>	130	Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in the 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 among themselves, be determined by lot.
<i>Retiring Director eligible for reelection</i>	131	A retiring Director shall be eligible for re-election.
<i>Filling up of vacancies at general meeting</i>	132	Subject to Sections 258 and 259 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.
<i>Provision for default of appointment</i>	133	<ol style="list-style-type: none"> (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place. (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be so deemed to have been reappointed at the adjourned meeting unless: <ol style="list-style-type: none"> (i) at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meeting and lost (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed; (iii) he is not qualified or is disqualified for appointment; (iv) a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or (v) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.
<i>Company may increase or reduce the number of Directors</i>	134	Subject to Section 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of directors, and may after their qualifications the Company (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director in whose place he is appointed would have held the same if he had not been removed.
<i>Notice of candidate for office of Directors except in certain cases</i>	135	<ol style="list-style-type: none"> (1) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General Meeting unless he or some member intending to propose him has, not less than 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 Director or the intention of such member to propose him as a candidate for that office. (2) 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 or 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, the consent in writing to act as a Director, if appointed. (3) A person other than a Director reappointed after retirement by rotation of 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 reappointed 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.
<i>Register of Directors etc. and notification of charge to Registrar</i>	136	<ol style="list-style-type: none"> (a) The Company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act and shall otherwise comply with the provisions of the said Section in all respects. (b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.
<i>Disclosure by Directors of appointment only in other body corporate.</i>	137	<ol style="list-style-type: none"> (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act, Managing Director, Manager, or Secretary of the Company, shall within twenty days of his appointment to any of the above offices in any other body corporate, disclose to the Company the particulars relating to his

<i>Disclosure by a Director of his holding of share and debenture of company etc.</i>		<p>office in the other body which are required to be specified under sub-section (1) of Section 303 of the Act.</p> <p>(b) Every Director and every person deemed to be a 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 provision of that section.</p>
		MANAGING DIRECTOR
<i>Board may appoint Managing Director or Managing Directors</i>	138	Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director or Managing Directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of Article 140, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other notice not expressly prohibited by the Act.
<i>Restriction on management</i>	139	<p>The Managing Director or Managing Directors shall not exercise the powers to :-</p> <ol style="list-style-type: none"> make calls on share holders in respect of money unpaid on the shares in the Company. issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to; borrow moneys, otherwise than on debentures, invest the funds of the Company, and make loans.
<i>Certain persons appointed</i>	140	<p>The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who –</p> <ol style="list-style-type: none"> is an undischarged insolvent, or has at any time been adjudged as insolvent suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or is, or has, at any time been convicted by a Court of an offence involving moral turpitude.
<i>Managing director Special position of Managing Director</i>	141	A Managing Director shall not while he continues to hold that office be subject to the retirement by rotation, in accordance with Article 129. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.
		PROCEEDINGS OF THE BOARD OF DIRECTORS
<i>Meetings of Directors</i>	142	The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet atleast once in every three months and atleast four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
<i>Notice of Meeting</i>	143	Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India; to every other Director.
<i>When meeting to be convened</i>	144	The Secretary shall, as and when directed by the, Directors to do so convene a meeting of the Board by giving a notice in writing to every other Director
<i>Chairman</i>	145	The Board shall a point a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if it any meeting of the Board the Chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose someone of their member to be the Chairman of, such meeting.
<i>Quorum</i>	146	The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairman of the Board shall a point.
<i>Exercise of Powers to be valid in meetings where Exercise of Powers</i>	147	A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board.
<i>Matter to be decided On majority of votes</i>	148	Subject to the provisions of Sections 316, 327(4) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
<i>Power to appoint committee and a delegate</i>	149	The Board may subject to the provisions of the Act, from time to time and at any time delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the

		Board.
<i>Proceeding of committee</i>	150	The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the Article 149
<i>Resolution without board meeting</i>	151	Save in those case where a resolution is required by Sections 262, 292, 297, 316, 372(4) and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors, or members of the Committee, at their usual address in India, and has been approved by such of them as are then in India, or by a majority of them as are entitled to vote on the resolution.
<i>Acts of Board or Committee valid notwithstanding formal appointment</i>	152	All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated
	153 (1)	The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in the books kept for that purpose with their pages consecutively numbered
	153 (2)	Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting
	153 (3)	In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.
	153 (4)	The minutes of each meeting shall contain a fair and correct summery of the proceedings thereat.
	153 (5)	All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
	153 (6)	The minutes shall also contain. (a) the names of the Directors present at the meeting; and (a) 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
	153 (7)	Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting. (a) is, or could reasonably be regarded as defamatory of any person. (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interest of the Company. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.
	153 (8)	Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
	154	The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole of any such undertaking. (b) remit, or give time for the repayment of any debt due by a Director. (c) 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 clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried an or can be carried on only with difficulty or only after a considerable time.

		<p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business, will exceed the aggregate of the paid up capital of the Company and its free reserves - that is to say, reserve not set apart for any specific purpose. Provided further that the powers specified in Section 292 of the Act shall, subject to these Articles, be exercised only at meetings of the Board, unless the same be delegated to the extent there 'm stated; or</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately proceeding, whichever is greater.</p>
<i>Absolute powers of the Board in certain cases</i>	155	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers; that is to say, power -</p> <p>(1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(2) To pay any charge to the capital account of the Company and Commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act</p> <p>(3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,</p> <p>(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>(5) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;</p> <p>(6) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;</p> <p>(7) To appoint any person to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;</p> <p>(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and, perform any awards made thereon;</p> <p>(9) To act on behalf of the Company in all matters relating to bankrupts and insolvents;</p> <p>(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company</p> <p>(11) Subject to the provisions of Sections 292, 295, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;</p> <p>(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>(13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;</p> <p>(14) To distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;</p> <p>(15) To provide for the welfare of Directors or ex-Directors or employees or ex- employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;</p>

		<p>(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of any apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, 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 Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture-stock, and without being bound to keep the same, separate from the other assets and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>(17) Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. Also, from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;</p> <p>(18) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient of comply with;</p> <p>(19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such Local Boards and to fix their remuneration;</p> <p>(20) Subject to Section 292 & 293 of the Act, from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the share holders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;</p> <p>(22) Subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such 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;</p> <p>(23) Subject to the provisions of Companies Act, 1956, the Board may pay such remuneration to Chairman/Vice Chairman of the Board upon such conditions as they may think fit.</p>
		THE SECRETARY
<i>Secretary</i>	156	The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the Board comprises only three Directors, neither of them shall be the Secretary. The Secretary appointed by the directors pursuant to this Article shall be a whole-time Secretary. The Directors may also at any time appoint some person, who need not be Secretary, to keep the registers required to be kept by the Company.
		THE SEAL
<i>To Seal, its custody and use</i>	157	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used, except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.</p>

<i>Deeds how executed</i>	158	Every Deed or other instrument, to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with the Article 19(a).
		DIVIDENDS
<i>Division of profits</i>	159	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
<i>The Company in General Meeting may declare a dividend</i>	160	The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
<i>Dividends only to be paid out of profits</i>	161	No dividend shall be declared or paid otherwise than out of the profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that; (a) if the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or years. (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act, or against both.
<i>Interim dividend</i>	162	The Board may, from time to time, pay to the Members such interim dividend as in their judgment, the position of the Company justifies.
<i>Calls in-advance not to carry right to participate in Profits</i>	163	Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
<i>Payment of pro- rata dividend</i>	164	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
<i>Dividend to be kept in abeyance</i>	165	The Board may retain the dividends payable upon shares in respect of which any person is under the Article 60 entitled to become a member or which any person wider that Article is entitled to transfer; until such a person shall become a member, in respect of such shares or duly transfer the same.
<i>Receipts for dividends</i>	166	Any one of several person who are registered as joint-holders of any share may give effectual receipts for all dividends bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
<i>Deduction of money owed to the Company</i>	167	No member shall be entitled to receive payments of any interest or dividend 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 howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
<i>Right to dividend where shares transferred</i>	168	A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer.
<i>Manner of paying dividend</i>	169	Unless otherwise directed, any dividend may be paid by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. 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 the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.
<i>Non-forfeiture of unclaimed dividend</i>	170	No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the company shall comply with the provision of Sections 205A to 205C of the Act in respect of all unclaimed or unpaid dividends.
<i>Dividend may be set off against calls</i>	171	Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend and the dividend may, if so arranged between the Company and the member, be set off against the calls.
		CAPITALISATION OF RESERVES
<i>Issue of Bonus Shares</i>	172	Any General Meeting may resolve that any moneys, investments, or other assets forming part of undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such

		members in paying up in full any unissued shares, debentures, or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
<i>Utilisation of undistributed capital rights</i>	173	A General Meeting may resolve that any surplus money arising from the realisation of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
<i>Resolving issue of fractional certificates</i>	174	For the purpose of giving effect to any resolution under the two last-preceding Articles hereof the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value of distribution of any specific assets, and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the Board. Where requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capital fund, and such appointment shall be effective.
		ACCOUNTS
<i>Directors to keep true accounts</i>	175	(1) The company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act, with respect to - (a) all the sums of moneys received and expended by the Company and the matters in respect of which the receipts and expenditure take place. (b) all sales and purchases of goods by the Company. (c) the Assets and liabilities of the Company. (2) Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company 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. (3) The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account. (4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its offices at other place in India, at which the Company's Books of Account are kept as aforesaid. (5) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.
<i>Places of keeping accounts</i>	176	The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions are regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no person (not being a member) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.
<i>Laying of Accounts before Annual General Meeting</i>	177	The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Account and Reports as are required by these Sections.
<i>Accounts when to be sent</i>	178	A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereto; to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.
		AUDIT
<i>Accounts to be audited</i>	179	Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.
<i>First Auditor or Auditors</i>	180	The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors. The aforesaid provisions shall mutatis mutandis apply to any Secretarial Auditor appointed under the relevant provisions of the Act.
		DOCUMENTS AND NOTICES
<i>Service of documents and notice</i>	181	(1) A document or notice may be served or given by the Company on any member, either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

		(2)Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so; service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
<i>Newspaper advertisement of notice to be deemed duly served</i>	182	A document or notice advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.
<i>Notice on whom to be served</i>	183	A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the share.
<i>Notice to be served to representatives</i>	184	A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee 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 entitled, or (until such an address has been so supplied) by serving the document or notice in any manner which the same might have been given if the death or insolvency had not occurred.
<i>Service of notice of General meetings</i>	185	Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor for the time being of the Company.
<i>Members bound by notice</i>	186	Every person who, by operation of law, further or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.
<i>Document or notice to be signed</i>	187	Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.
<i>Notice to be served by post</i>	188	All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office.
<i>Liquidator's powers</i>	189	The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company 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 as the Liquidator, with the sanction shall think fit.
		INDEMNITY AND RESPONSIBILITY
<i>Person when to be indemnified by the Company</i>	190	Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act, in which relief is granted to him by the Court.
		SECRECY
<i>No member to enter the premises of the Company without permission</i>	191	Subject to the provisions of these Articles and the Act no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or 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 701, 7th Floor, Kingston, Tejpal Road, Vile Parle (E), Mumbai – 400057, Maharashtra, India, 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 December 13, 2013 between our Company and the Lead Manager.
2. Memorandum of Understanding dated November 13, 2013, between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated December 13, 2013 between our Company, the Lead Manager, Market Maker and Underwriter.
4. Market Making Agreement dated December 13, 2013 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 8, 2014.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated October 10, 2013.
7. Escrow Agreement dated January 22, 2014 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 November 18, 2013 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated December 11, 2013 authorizing the Issue.
4. Statement of Tax Benefits dated December 16, 2013, issued by our Statutory Auditors, V.R. Bhabhra & Co., Chartered Accountants.
5. Copy of the Report of the Statutory Auditors, V.R. Bhabhra & Co., Chartered Accountants dated December 16, 2013, on the Restated Financial Statements.
6. Copy of Certificate from the Statutory Auditor, V.R. Bhabhra & Co., Chartered Accountants dated January 22, 2014, regarding the source and deployment of funds as on December 31, 2013.
7. Copies of Annual reports of the Company for the year ended March 31, 2013, 2012, 2011, 2010, 2009 and audited accounts for the period ended November 30, 2013.
8. Consents of Directors, Company Secretary and 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, Refund Banker to the Issue, to act in their respective capacities.
9. Initial listing applications dated December 17, 2013 filed with the BSE.

10. Copy of approval from BSE *vide* letter dated January 21, 2014, to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
11. Due Diligence Certificate dated December 16, 2013 from the Lead Manager to BSE.
12. Due Diligence Certificate dated January 22, 2014 from the Lead Manager to SEBI.
13. Resolution of the shareholders passed at their extra ordinary general meeting dated December 10, 2013 for fixing the term of appointment and the remuneration of our Managing Director, Mr. Anandrao B. Gole.

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.

DECLARATION

We, the undersigned, hereby certify that, all the relevant provisions of the Companies Act, 1956/ Companies Act, 2013 (to the extent notified), and the guidelines issued by the Government of India or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations or guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true, fair, accurate and correct.

Signed by all the Directors of Agrimony Commodities Limited

Name and designation	Signature
Mr. Anandrao B. Gole <i>Managing Director</i>	
Mr. Jairaj V. Bafna <i>Director</i>	
Mr. Suresh Kulkarni, <i>Independent Director</i>	
Mr. Mani Ananthanarayan, <i>Independent Director</i>	
Mr. Satish Chand Bokdia <i>Independent Director</i>	

Signed by the Manager - Accounts

Mr. Kannan M. Moopnar

Place: **Mumbai**

Date: January 22, 2014

ANNEXURE - A

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)	Closing price as on 10th calendar day from listing day (Closing)	Benchmark index as on 10th calendar days from listing day (Closing)	Closing price as on 20th calendar day from listing day (Closing)	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing day (Closing)	Benchmark index as on 30th calendar days from listing day (Closing)
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Source: All share price data is from "www.bseindia.com".

Note:

1. The BSE Sensex is considered as the Benchmark Index.
2. Price on BSE is considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE of the next trading day has been considered

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised (Rs. Cr.)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
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