

**GCM CAPITAL ADVISORS LIMITED**

Our Company was incorporated as 'GCM Capital Advisors Limited' a public limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 9, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our Company received the Certificate of Commencement of Business on May 31, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our corporate identification number is U65923MH2013PLC243163. 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 69 respectively, of the Draft Prospectus.

Registered Office: 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021, India

Tel: +91 22 3085 9103, **Fax:** +91 22 3085 9107 **Website:** www.gcmcap.com, **E-mail:** ipo@gcmcap.com

Company Secretary and Compliance Officer: Ms. Suman Makhija

PROMOTERS: GCM SECURITIES LIMITED

PUBLIC ISSUE OF 45,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GCM CAPITAL ADVISORS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 20 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹ 10 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING ₹ 900.00 LACS ("THE ISSUE"), OF WHICH 2,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 20 PER EQUITY SHARE, AGGREGATING ₹ 45.60 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 42,72,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 20 PER EQUITY SHARE, AGGREGATING ₹ 854.40 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.56% AND 25.22% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE ISSUE IS BEING 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 145 of the Draft 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 151 of the Draft 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 ₹ 20 IS 2 TIMES 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 ₹ 20 per Equity Share is 2 times 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 48 of the Draft 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 Draft Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 10 of the Draft Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft 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 Draft 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 Draft 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 Draft 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 [●] 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**REGISTRAR TO THE ISSUE**

INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED
2nd Floor, Viraj Tower, Nr. Andheri Flyover (North End)
Western Express Highway, Andheri (East) Mumbai – 400 069
Tel No: +91 22 4075 1515; **Fax No:** +91 22 4075 1552
Email: sme.ipo@inventuremerchantbanker.com
Investor Grievance Email: redressal@inventuremerchantbanker.com
Website: www.inventuregrowth.com
SEBI Registration No: INM000012003
Contact Person: Mr. Saurabh Vijay

S.K. Infosolutions Private Limited
34/1A, Sudhir Chatterjee Street,
Kolkata - 700006
Tel No: +91 33 2219 6797;
Fax No: +91 33 2219 4815
Website: www.skinfo.com
Email: contact@skinfo.com
Contact Person: Mr. Dilip Bhattacharya
SEBI Registration No: INR000003886

ISSUE PROGRAMME

ISSUE OPENS ON:

[●]

ISSUE CLOSES ON:

[●]

INDEX

SECTION I – GENERAL	3
DEFINITIONS AND ABBREVIATIONS	3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	8
FORWARD LOOKING STATEMENTS	9
SECTION II - RISK FACTORS	10
SECTION III – INTRODUCTION.....	22
SUMMARY OF OUR INDUSTRY	22
SUMMARY OF OUR BUSINESS	24
SUMMARY OF OUR FINANCIAL INFORMATION	25
THE ISSUE	28
GENERAL INFORMATION	29
CAPITAL STRUCTURE	35
OBJECTS OF THE ISSUE.....	45
BASIS FOR ISSUE PRICE	48
STATEMENT OF TAX BENEFITS.....	50
SECTION IV – ABOUT THE COMPANY	58
INDUSTRY OVERVIEW	58
OUR BUSINESS	62
KEY REGULATIONS AND POLICIES.....	68
HISTORY AND CERTAIN CORPORATE MATTERS	69
OUR MANAGEMENT	72
OUR PROMOTERS AND PROMOTER GROUP	83
OUR GROUP ENTITIES	91
DIVIDEND POLICY	109
SECTION V – FINANCIAL INFORMATION.....	110
FINANCIAL INFORMATION	110
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS.....	125
SECTION VI – LEGAL AND OTHER INFORMATION	129
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	129
GOVERNMENT AND OTHER APPROVALS.....	131
OTHER REGULATORY AND STATUTORY DISCLOSURES	133
SECTION VII - ISSUE RELATED INFORMATION.....	145
TERMS OF THE ISSUE	145
ISSUE STRUCTURE	149
ISSUE PROCEDURE.....	151
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	168
SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	169
SECTION IX – OTHER INFORMATION	206
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	206
DECLARATION	208

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In the Draft 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
“GCM Capital Advisors Limited”, “GCMCAP”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to GCM Capital Advisors Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021, India

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, requires, refers to the Articles of Association of GCM Capital Advisors Limited, as amended from time to time.
Auditors	The Statutory Auditors of our Company, being M/s Maheshwari & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of GCM Capital Advisors 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 GCM Capital Advisors 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 GCM Capital Advisors 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
Promoter/ Core Promoter	GCM Securities Limited
Registered Office	The Registered Office of our company is located at 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021
RoC	Registrar of Companies, Maharashtra 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, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited

Issue Related Terms

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Draft 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	ICICI Bank Limited
Bankers to the Issue	[•]
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 45,00,000 Equity Shares of ₹ 10 each at ₹ 20 (including share premium of ₹ 10) per Equity Share aggregating to ₹ 900.00 Lacs by GCM Capital Advisors Limited
Issue Price	The price at which the Equity Shares are being issued by our Company under the Draft Prospectus being ₹ 20
LM / Lead Manager	Lead Manager to the Issue, in this case being Inventure Merchant Banker 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 42,72,000 Equity Shares of ₹ 10 each at ₹ 20 (including share premium of ₹ 10) per Equity Share par aggregating ₹ 854.40 Lacs by GCM Capital Advisors 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	[•]
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 S.K. Infosolutions 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	Inventure Merchant Banker Services Private Limited and Bindal Equities Limited
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated March 13, 2014
Working Days	All days on which banks in Mumbai are open for business except Sunday and public holiday, provided however during the Application period a working day means all days on which banks in Mumbai are open for business and shall not include a Saturday, Sunday or a public holiday

Technical / 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
FMC	Forward Market Commission
GOI	Government of India
FOB	Free on Board

Term	Description
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
Gol/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
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.

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, SEBI Act, SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing:

1. In the section titled '*Main Provisions of the Articles of Association*' beginning on page 169 of the Draft 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 24 and 62 respectively, of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled '*Risk Factors*' beginning on page 10 of the Draft 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 50 of the Draft 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 125 of the Draft 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 Draft Prospectus is derived from our audited financial statements for the period ended February 28, 2014 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 Draft Prospectus, and set out in the section titled '*Financial Information*' beginning on page 110 of the Draft 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 Draft 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 Draft 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 Draft 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 pages 10, 62 and 125, respectively, of the Draft Prospectus and elsewhere in the Draft 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 Draft 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 Draft 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 Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the Draft 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 Draft 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 Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft 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;
- developments affecting the Indian economy; and
- 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 10, 62 and 125, respectively of the Draft Prospectus.

Forward looking statements reflects views as of the date of the Draft 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 Draft 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 62 and 125, respectively, of the Draft Prospectus as well as the other financial and statistical information contained in the Draft 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 110 of the Draft 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 Draft 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 Draft 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 Draft 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 is in the process of recovering ₹7,70,80,956 (Rupees Seventy Lakh Eighty Thousand Nine Hundred Fifty-six only) from National Spot Exchange Limited which is part of various criminal and civil proceedings initiated by BSE Broker's against National Spot Exchange Limited and others. Recovery of such amounts may not happen in a timely manner or at all. Any delay or failure to recover such amounts may have a material adverse impact on our financials and results of operations.**

Our Company had dealt in various commodity contracts on the National Spot Exchange Limited through one of our Group Companies GCM Commodity & Derivatives Limited, which is a registered broker of National Spot Exchange Limited. BSE Broker's Forum has filed various criminal and civil proceedings before various forums against National Spot Exchange Limited, its promoters, directors, key managerial personals, statutory auditors and other related entities as more particularly described in the said proceedings (collectively referred to as the "Accused") in relation to an alleged massive fraud perpetrated pursuant to a conspiracy hatched by the Accused along with unknown persons to defraud the public at large by means of offenses of cheating, misappropriation, breach of trust and forgery of valuable securities. GCM Commodity & Derivatives Limited has participated in the aforesaid proceedings vide BSE Broker's Forum for recovery of ₹16,87,90,241.50/- (Rupees Sixteen Crores Eighty-seven Lakhs Ninety Thousand Two Hundred Forty-one only) (for and on behalf of its clients and its proprietary dealings) from the Accused. Of the said

amount claimed by GCM Commodity & Derivatives Limited ₹ 7,70,80,956 (Rupees Seventy Lakh Eighty Thousand Nine Hundred Fifty-six only) is for and on behalf of our Company.

In case there is any delay or failure on part of our Company to recover the said amount of ₹ 7,70,80,956 (Rupees Seventy Lakh Eighty Thousand Nine Hundred Fifty-six only) from National Spot Exchange Limited such delay will have a material adverse impact on our financials and results of operations.

2. ***GCM Commodity & Derivatives Limited, one of our Group entities and member of BSE Broker's Forum, is part of various criminal and civil proceedings initiated by BSE Broker's against National Spot Exchange Limited and others.***

One of our Group Companies GCM Commodity & Derivatives Limited is a registered broker of National Spot Exchange Limited. GCM Commodity & Derivatives Limited is part of the BSE Broker's Forum which has filed various criminal and civil proceedings before various forums against National Spot Exchange Limited, its promoters, directors, key managerial personals, statutory auditors and other related entities as more particularly described in the said proceedings (collectively referred to as the "Accused") in relation to an alleged massive fraud perpetrated pursuant to a conspiracy hatched by the Accused along with unknown persons to defraud the public at large by means of offenses of cheating, misappropriation, breach of trust and forgery of valuable securities. The extent of fraud runs into thousands of crores. It has been prayed in the aforesaid proceedings, *inter alia*, that the monies and bank accounts, including the accounts of Accused be frozen in order to trace the monies of the Complainant, all assets into which the monies have been parted be seized and monies are to be recovered. GCM Commodity & Derivatives Limited has participated in the aforesaid proceedings *vide* BSE Broker's Forum for recovery of Rs. 16,87,90,241.50/- (Rupees Sixteen Crores Eighty-seven Lakhs Ninety Thousand Two Hundred Forty-one only) (for and on behalf of its clients and its proprietary dealings) from the Accused.

3. ***Our Company had negative cash flow in recent fiscal, 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	February 28, 2014
Operating activities	(2,440.86)
Investing activities	(12.44)

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 110 and 125, respectively, of the Draft Prospectus.

4. ***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.

5. ***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 bank finance, 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 45 of the Draft Prospectus.

6. *Our Company has issued below mentioned Equity Shares in the last twelve months from the date of filing the Draft Prospectus, the price of which is lower than the Issue Price*

Our Company has on the following date, issued shares to the following persons/entities at a price which is lower than the Issue Price:

<i>Date of Allotment</i>	<i>Nature of Allotment</i>	<i>Name of the Allottees</i>	<i>No. of Shares</i>	<i>Issue Price (₹)</i>	<i>Whether part of Promoter Group</i>
April 5, 2013	Subscription to Memorandum of Association	GCM Securities Limited	30,000	10.00	Yes
		Inderchand Baid	5,000		
		Manish Baid	5,000		
		Samir Baid	5,000		
		Saroj Baid	5,000		
		Global Capital Market & Infrastructure Limited	5,000		
		GCM Commodity & Derivatives Limited	5,000		

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

8. *Our Group Company, Global Capital Market & Infrastructures Limited has not complied with Clause 32 of the listing agreement with respect to change of name.*

Our Group Company has changed its name from Global Capital Market Limited to Global Capital Market & Infrastructures Limited by passing a special resolution of shareholders at EGM held on June 21, 2010. However, the company has not complied with clause 32 of the listing agreement, which *inter alia*, requires that at least 50% to total revenue in the preceding 1 year period should have been from new activity suggested. However this condition has not been complied by Global Capital Market & Infrastructures Limited. Further, BSE has not effected the change in name of the company due to the aforesaid non-compliance.

9. *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.

Further, we may become liable to penal action if our activities are adjudged to be undertaken in the manner not authorized under the applicable law. 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 131 of the Draft Prospectus.

10. Our success depends largely upon the services of our Directors and other Key Managerial Personnel and our ability to attract and retain them. 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.

Our Managing Director, Manish Baid has built relations with clients and other persons who are connected with us. Our success is substantially dependent on the expertise and services of our Directors and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

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

We propose to expand our business activities by 2015. We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- our ability to acquire and retain clients for our services;
- services, products or pricing policies introduced by our competitors;
- capital expenditure and other costs relating to our operations;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training and retaining sufficient skilled technical and management personnel;
- adhering to our high quality and process execution standards;
- maintaining high levels of customer satisfaction;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

12. Major fraud, lapses of internal control or system failures could adversely impact the company’s business.

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

13. We face intense competition in our businesses, which may limit our growth and prospects.

Our Company faces significant competition from other financial advisors. In particular, we compete with

other brokerage houses operating in the markets in which we are present. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history 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.

14. *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.

15. *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 Promoter, GCM Securities Limited *vide* its letter dated June 1, 2013, allowed our Company to use the premise as our registered office along with furniture, fixtures and fittings including telephone etc. We cannot assure you that we will have the right to occupy this 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 62 of this Draft Prospectus.

16. *Our Company does not own the trademark 'G'. The same is used as our Group Trademark and which is under process of registration in the name of our Promoter, GCM Securities Limited. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.*

Our Promoter, GCM Securities Limited has made application for registration of trademark 'G', and the registration for the said trademark is important to retain our brand equity. If the application for registration is not accepted or if the oppositions filed against our trademark application if any, are successful, 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 or that the steps taken by us to protect the proprietary rights of our Company will be adequate.

17. *Downturns or disruptions in the financial markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.*

As a financial advisory company, our business is materially affected by conditions in the domestic and global financial markets and economic conditions in India and throughout the world. Our revenues are

derived from fees from advisory services and interest income. Our revenue, level of operations and, consequently, our profitability are largely dependent on favourable market conditions and political environment, investor sentiment, price levels of shares and securities and other factors that affect the volume of securities trading in India. Capital markets are exposed to additional risks, including liquidity, interest rate and foreign exchange related risks. Any downturn or disruption in the markets specifically would have a material adverse effect on our results of operations. Even in the absence of a market downturn, we are exposed to substantial risk of loss due to market volatility. A market downturn would likely lead to a decline in the volume of transactions that we execute for our customers as well as a decrease in prices. Any decline in transactions would lead to a decline in our revenues received from fees / interest.

18. *Future issuances of Equity Shares or future sales of Equity Shares by our Promoter 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 Promoter 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.

19. *The growth of our business may require us to obtain substantial financing, which we may not be able to obtain on reasonable terms or at all. We may need to raise additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure on acceptable terms or at all.*

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the Net Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional debt or equity in the capital markets. We may need to raise additional capital from time to time, depending on business conditions. The factors that would require us to raise additional capital could be business growth beyond what our current balance sheet can sustain; additional capital requirements imposed due to changes in the regulatory regime or new guidelines; or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing shareholding, and such issuance may not be done at terms and conditions that are favourable to the existing shareholders of the Company.

If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financing could cause our debt to equity ratio to increase or require us to create further charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we delay or are unable to implement our expansion strategy.

20. *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 Promoter 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 123 of this Draft Prospectus.

21. *Our Company has not taken any insurance cover at present. Hence we will not be able to protect us from all losses and may intun adversely affect our financial condition.*

Our Company has not taken any insurance cover at present. Hence we don't have any coverage to cover any damage or loss suffered by us. To the extent that we suffer loss or damage that is not covered by insurance our results of operations or cash flow may be affected.

- 22. Some of the Group Companies promoted by our Promoter 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 Promoter has incurred losses in one or more of the last three years:

Name of the Company	(₹ Lacs)		
	FY 2013	FY 2012	FY 2011
Silverpearl Commercial Private Limited			(0.16)
GCM Commodity & Derivatives Limited		(0.54)	
Cadillac Vanijya Private Limited	(7.07)		

- 23. The requirements of being a listed company may strain our resources.**

As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the BSE, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies. As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required.

EXTERNAL RISKS

- 1. We cannot predict the effect of the proposed notification of the Companies Act, 2013 on our business.**

The Companies Act, 2013 (the “2013 Act”) has been notified by the Government of India on August 30, 2013 (the “Notification”). Under the Notification, Section 1 of the 2013 Act has come into effect and the remaining provisions of the 2013 Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the 2013 Act deals with the commencement and application of the 2013 Act, and among others, sets out the types of companies to which the 2013 Act applies. Further the Ministry of Corporate Affairs has by their notification dated September 12, 2013 notified 98 sections of the 2013 Act, which have come into force from September 12, 2013.

The 2013 Act is expected to replace the existing Companies Act, 1956. The 2013 Act 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 2013 Act is expected to be complemented by a set of rules that shall set out the procedure for compliance with the substantive provisions of the 2013 Act. In the absence of such rules, it is difficult to predict with any degree of certainty the impact, adverse or otherwise, of the 2013 Act on the Issue, and on the business, prospects and results of operations of the Company. Further, as mentioned above, certain provisions of the 2013 Act have already come into force and the rest shall follow in due course. In event some or all of the provisions of the 2013 Act and the rules thereto are notified prior to the consummation of the Issue, we may have to undertake certain additional actions that we are not currently aware of (in the absence of the rules), which may result in delay of the Issue.

- 2. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the financial services sector contained in the Draft Prospectus.**

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the financial services sector has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘Industry Overview’ beginning on page number 58 of the Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein

may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

3. *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.

4. *Global economic conditions have been unprecedented and continue to have, an adverse effect on the global and Indian financial markets which may continue to have a material adverse effect on our business.*

Recent global market and economic conditions have been unprecedented and challenging with tighter credit conditions and an economic recession has been witnessed in most economies in 2009. Continued concerns about the systemic impact of potential long-term and wide-spread economic recession, energy costs, geopolitical issues, the availability and cost of credit, and the global housing and mortgage markets have contributed to increased market volatility and diminished expectations for western and emerging economies. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have contributed to volatility of unprecedented levels. As a result of these market conditions, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide credit to businesses and consumers. These factors have led to a decrease in spending by businesses and consumers alike and corresponding decreases in global infrastructure spending and commodity prices. These market and economic conditions have an adverse effect on the global and Indian financial markets and may continue to have a material adverse effect on our business and financial performance, and may have an impact on the price of the Equity Shares.

5. *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.

6. *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.

7. *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.

8. *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.

9. *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.

10. *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 Bindal Equities 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 this Draft Prospectus.

11. *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 exchange. The percentage limit on our circuit breakers will be set by the stock exchange 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.

12. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.*

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchange have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

PROMINENT NOTES:

1. This is a Public Issue of 45,00,000 Equity Shares of ₹ 10 each at ₹ 20 (including share premium of ₹ 10) per Equity Share aggregating ₹ 900.00 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 69 of the Draft Prospectus.
3. Our Net Worth as at February 28, 2014 was ₹ 2530.48 Lacs.
4. The Net Asset Value per Equity Share as at February 28, 2014 was ₹ 20.34.
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 Promoter is set forth in the table below:

Name of the Promoter	Average cost of acquisition (in ₹)
GCM Securities Limited	19.95

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled "Capital Structure" beginning on page 35 of the Draft Prospectus.

7. Our Company its Promoter / Directors, Company's Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoter, their relatives, Company, group companies, associate companies are not declared as willful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
8. Investors are advised to refer to the paragraph titled "*Basis for Issue Price*" beginning on page 48 of the Draft Prospectus.
9. The Lead Manager and our Company shall update the Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of the Draft 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. In the event of over-subscription, allotment shall be made as set out in paragraph titled "*Basis of Allotment*" beginning on page 156 of the Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
12. The Directors / Promoter 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 GCM Capital Advisors 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 72 of the Draft Prospectus.
13. 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 110 of the Draft Prospectus.

14. No part of the Issue proceeds will be paid as consideration to Promoter, Directors, Key Managerial Personnel or persons forming part of Promoter Group.
15. 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 Draft Prospectus.
16. The details of transaction by our Company are disclosed under “*Related Party Transactions*” in “*Section VI Financial Information*” of our Company beginning on page 110 of the Draft Prospectus.
17. Since inception, our Company not issued any equity shares by capitalization of reserves.
18. Our Company does not have any contingent liabilities outstanding as on February 28, 2014.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

GENERAL MACRO-ECONOMIC ENVIRONMENT

After the setback in 2011-12, the early 2012-13 marked a more pronounced deterioration in activity across the globe. The recovery however became imminent as credit markets healed in US and short term risks in the Euro area trimmed. While investment dipped, consumption picked up across the globe in varied measures – slowly in advanced economies and steadily in emerging markets. Prudent macroeconomic policies have been leading the way to recovery across the economies.

Financial markets have boosted the economic activity and the broad markets have rallied in late 2012-13. Rate cuts have been induced to combat slowdown by many central banking authorities. Back at home, weakening of growth in industrial and services sector earmarked one of the lowest growth rates in recent times.

Indian Financial Services Sector

There has been a considerable broadening and deepening of the Indian financial markets due to various financial market reforms undertaken by the regulators, the introduction of innovative financial instruments in the recent years and the entry of sophisticated domestic and international players. Sectors such as banking, asset management and brokerage have been liberalised to allow private sector involvement, which has contributed to the development and modernisation of the financial services sector. This is particularly evident in the nonbanking financial services sector, such as equities, derivatives and commodities brokerage, residential mortgage and insurance services, where new products and expanding delivery channels have helped these sectors achieve high growth rates.

Source: SEBI Annual Report 2012-2013

Capital markets

Indian securities market started the year 2012-13 on a low note following the global economic signals of 2011-12. The reform measures undertaken by the government as well as slender improvements visible in the global economic condition have however uplifted the mood in the domestic securities market. The Sensex which closed at 17,404 on March 30, 2012 reached 18,836 as on March 28, 2013. It touched the 20,000 mark during the year, which was last seen in October 2010. Nifty, too, touched the 6,000 mark while closing at 5,683 on March 28, 2013 while the Sensex registered a growth of 8.2 percent, Nifty recorded a growth of 7.3 percent. Indian markets also witnessed the establishment of a third stock exchange in the country with nationwide terminal with MCX-SX going live in equities and equities derivatives segment on February 11, 2013.

The market capitalisation of BSE stood at ₹ 63, 87, 887 at end-March 2013 compared to ₹ 62, 14,941 crore as of end-March 2012 while its ratio to GDP stood at 63.7 percent for 2012-13. The market capitalisation of NSE was ₹ 62,39,035 at end-March 2013 compared to ₹ 60, 96,518 crore as of end-March 2012 while its ratio to GDP stood at 62.2 percent for 2012-13. The number of demat accounts at the two depositories grew by over 5 percent during the fiscal year. The number of listed companies at NSE and BSE continued to rise.

Source: SEBI Annual Report 2012-2013

Primary Securities Market

Primary markets play the role of mobilizing the capital to the corporate both public and private. A healthy and efficient primary market is reflective of the economic stability that further accentuates the investor confidence in the markets. Indian Primary markets have seen a revival in the activity partly reflecting the recovery imminent in the global scenario. Resources mobilized in the primary market have risen by around 20 percent in the wake of the renewed economic fervor. A total of ₹ 15,474 crore of Equity capital has been raised in 2012-13 through 49 issues, compared with ₹ 12,857 crore raised through 51 issues in 2011-12. Certain reforms in policies have been undertaken to build up the investor confidence further.

Source: SEBI Annual Report 2012-2013

Secondary Securities Market

Secondary markets are often referred to as the barometer to a nation's health. The stock prices in FY13 started on a low note carrying forward the fluctuations of the past financial year but the current financial year saw the

indices scaling new height and achieving the pre crisis levels. Initiatives have been taken to revive the investor confidence and participation which was dampened in the previous year on global cues.

Debt Markets

The Indian debt market is the third largest in Asia ex-Japan after China and Korea. A large variety of instruments are available to investors, ranging from government bonds and T-bills to certificates of deposit, commercial paper and private-sector bonds. Issuers include the central government, the states of the Indian Union, private and public sector companies, and financial institutions.

The corporate bond market continues to lag behind the government debt market owing to problems such as non-availability of a trading platform, central clearing and settlement, stringent documentation requirements and secondary market volumes which continues to deter issuers from raising money via the bond route.

Investment Banking

With the strong growth in the economy, Indian companies have grown profits rapidly and have increased the scale of their operations. At the same time, their requirements for capital have increased as has their demand for increasingly sophisticated methods of funding, need for strategic advisory services related to mergers, acquisitions and restructurings, and need for risk management solutions.

Indian companies have been increasingly raising funds from both domestic and international equity and equity linked and international debt capital markets. In addition, the pace of private equity activity has accelerated over the past few years. As private equity investing in India has gained momentum, the size and nature of investments has also evolved, increasingly moving from smaller start-up and early stage funding to later stage growth capital investments. There has also been a significant increase in merger and acquisition (“M&A”) activity by Indian companies in recent years. This continuing increase is evident in the inbound, outbound and domestic segments.

Indian Financial Sector – The way forward

The far-reaching changes in the Indian economy since liberalization have had a deep impact on the Indian financial services sector. Financial sector reforms that were initiated by the government since the early ‘90s have been to meet the challenges of a complex financial architecture. This has ensured that the new emerging face of the Indian financial sector will culminate in a strong, transparent and resilient system. The last decade witnessed a significant broadening and deepening of financial markets with the introduction of several new instruments and products in banking, insurance and capital markets space. During this time, the Indian financial sector (banking, insurance and capital markets) opened up to new private players including foreign companies. The new players adopted international best practices and modern technology to offer a more sophisticated range of financial services to corporate, retail and institutional customers. The consequent competition in the market brought in innovation, better customer service and efficiency in the financial sector in India.

Financial sector regulators too have been proactive in ensuring that new regulations and guidelines are more or less in tandem with the growth in the financial sector. Financial intermediaries have gradually moved to internationally acceptable norms for income recognition, asset classification, provisioning and capital adequacy. These developments have given a strong impetus to the development and modernization of the financial sector in India. Going forward the aim would be to achieve international standards in this area within the shortest possible period.

India’s services sector has been the most dynamic part of its economy, leading GDP growth for past two decades. India serves as an example as to how services sector can play an important role in a country’s economic growth. India is doing reasonably well in retail sector and the financial sector including insurance. India is now eager to open up the pensions sector also to foreign investors. The way these sectors have been developed with a robust regulatory and policy framework also holds important lessons for other countries. India’s financial services sector has been one of the fastest growing sectors in the economy. The economy has witnessed increased private sector activity including an explosion of foreign banks, insurance companies, mutual funds, venture capital and investment institutions.

Source: <http://blog.ficci.com/financial-sector-india/2776/>

SUMMARY OF OUR BUSINESS

We are a diversified financial services company mainly engaged in the business of providing financial advisory & consultancy services and engaged in treasury operations by providing funding solutions to our clients both in the form of Debt & Equity and investment activities.

1. Financial Advisory And Consultancy Services
2. Treasury Operations

We provide integrated solutions to our clients which includes managing crucial aspects like corporate finance, working capital finance, project finance and financial restructuring to corporate. We are primarily focused on small and mid sizes enterprises (SMEs).

As a part of our treasury operations, our Company is also engaged in making investment in the form of Debt & Equity in various companies. We are not bound by pre-defined restrictions in regards to our search for investment opportunities. We invest in companies in a variety of markets and stages. Our management approach can take the form either of driving change or partnership with existing owners.

We need sufficient financial liquidity and resources to be able to meet demands and opportunities from our development plans as they arise over time. The investment strategies are mostly long-term, and are based on an analysis of investment fundamentals. Our investments range from very complex financial instruments, to more basic schemes.

We also fund the requirements of our clients and business associates by providing short term loans and advances to them and earning interest income from the same.

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 February 28, 2014. 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 125 and 110, respectively of the Draft Prospectus.

Statement of Assets and Liabilities (As Restated)

		(₹ in Lacs)
Particulars		28.02.2014
Equity & Liabilities		
Share capital		
-Equity Share Capital		1,244.00
-Preference Share Capital		0.00
Total (a)		1,244.00
Reserves and surplus		
General Reserve		0.00
Share Premium		1,238.00
P&L Account		48.48
Less: Revaluation Reserve		0.00
Total (b)		1,286.48
Total Equity & Liabilities (a+b)		2,530.48
Non-Current Liabilities		
Long Term Borrowings		0.00
Long term provisions		0.00
Deferred Tax Liability		0.00
Total Non-Current Liabilities		0.00
Current Liabilities		
Short Term Borrowings		0.00
Trade Payables		183.50
Other Current Liabilities		7.06
Short Term Provisions		14.12
Total Current Liabilities		204.68
Total Equity & Liability		2,735.16
Non-Current Assets		
a) Fixed Assets		
Tangible Assets		11.43
Capital Work -in-Progress		0.00
Total Fixed Assets (a)		11.43
b) Non-Current Investments		0.00
c) Long Term Loans and Advances		0.00
d) Deferred Tax Asset		2.29
e) Other Non-Current Assets		0.00
Total Non-Current Assets		13.72
Current assets		
Current Investments		0.00
Inventories		0.00
Trade Receivables		780.92
Cash and Cash Equivalents balances		28.46
Short Term Loans and advances		1,912.06
Other Current Assets		0.00
Total Current Assets		2,721.44
Total Assets		2,735.16

Summary Statement of Profit and Loss, As Restated

<i>(₹ in Lacs)</i>	
Particulars	28.02.2014
Income	
Operating Income	127.06
Other Income	0.67
Total Income	127.73
Expenditure	
Administrative Expenses	32.21
Employee Benefit Expenses	24.11
Other Expenses	0.00
Total (B)	56.32
Profit Before Interest, Depreciation and Tax	71.41
Depreciation	1.01
Profit Before Interest and Tax	70.40
Financial Charges	0.24
Profit before Taxation	70.16
Provision for Taxation	23.97
Provision for Deferred Tax	-2.29
Total	21.68
Profit After Tax but Before Extra-ordinary Items	48.48
Prior Period Items	0.00
Net Profit after adjustments	48.48

Summary Statement of Cash Flow:

(₹ in Lacs)

PARTICULARS	28.02.2014
A. CASH FLOW FROM OPERATING ACTIVITIES	
Profit Before Tax	70.16
<i>Adjusted for :</i>	
a. Depreciation	1.01
b. Financial charges	0.24
c. Other Adjustments	0.00
d. Dividend Income	0.00
e. Profit on sale of long term investments	0.00
Operating profit before working capital changes	71.41
<i>Adjusted for :</i>	
a. Decrease /(Increase) in Current Investments	0.00
b. Decrease /(Increase) in Inventories	0.00
c. Decrease / (Increase) in trade receivable	-780.92
d. (Increase) / Decrease in short term loans and advances	-1,912.06
e. (Increase) / Decrease in Other Current Assets	0.00
f. (Increase) / Decrease in Long term loans and advances	0.00
g. Increase / (Decrease) in Trade Payables	183.50
h. Increase / (Decrease) in short term provisions	7.06
i. Increase / (Decrease) in other current liabilities	14.12
j. Increase / (Decrease) in Long Term Provisions	0.00
Cash generated from operations	-2,416.89
Income Tax Paid (net of refunds)	23.97
NET CASH GENERATED FROM OPERATION	-2,440.86
B. CASH FLOW FROM INVESTING ACTIVITIES	
a. Purchase of Fixed Assets	-12.44
b. Sale of Fixed Assets	0.00
c. (Purchase) / Sale of non-current investment	0.00
d. (Increase) in Non-Current Assets	0.00
e. Dividend Income	
Net cash (used) in investing activities	-12.44
C. CASH FLOW FROM FINANCING ACTIVITIES	
a. Finance charges Paid	-0.24
b. Proceeds from share issued	2,482.00
Net cash generated/(used) in financing activities	2,481.76
Net Increase / (Decrease) in cash and cash equivalents	28.46
Cash and cash equivalents at the beginning of the year	0.00
Cash and cash equivalents at the end of the year	28.46

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 Draft Prospectus:

Issue Details	
Equity Shares offered	45,00,000 Equity Shares of face value of ₹ 10 each
<i>Of which:</i>	
Reserved for Market Makers	2,28,000 Equity Shares of face value of ₹ 10 each
Net Issue to the Public	42,72,000 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding prior to the Issue	1,24,40,000 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue	1,69,40,000 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 45 of the Draft 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 145 of the Draft Prospectus.
2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 17, 2014 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 March 11, 2014.

GENERAL INFORMATION

GCM CAPITAL ADVISORS LIMITED

Our Company was incorporated as ‘GCM Capital Advisors Limited’ a public limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 9, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our Company received the Certificate of Commencement of Business on May 31, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our corporate identification number is U65923MH2013PLC243163.

Registered Office of our Company

GCM Capital Advisors Limited

505, Raheja Centre,
214, Free Press Journal Marg,
Nariman Point,
Mumbai – 400021
Tel: +91 22 3085 9103
Fax: +91 22 3085 9107
Email: ipo@gcmcap.com
Website: www.gcmcap.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 69 of the Draft Prospectus.

Address of the RoC

Registrar of Companies, Maharashtra

100, Everest Building
Marine Drive
Mumbai - 400 002
Maharashtra

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: [•]

Issue Closes on: [•]

Our Board of Directors

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

Sr. No.	Name and Designation	Age (in years)	DIN	Address
1.	Mr. Manish Baid <i>Managing Director</i>	37	00239347	1801-1802, Sky Flama, A wing, China Mills Compound, Dosti Flamingoes, Near Sewree Naka, T.J. Road, Sewree, Parel, Mumbai - 400 015
2.	Mr. Samir Baid <i>Director</i>	35	00243521	1801-1802, Sky Flama, A wing, China Mills Compound, Dosti Flamingoes, Near Sewree Naka, T.J. Road, Sewree, Parel, Mumbai - 400 015

Sr. No.	Name and Designation	Age (in years)	DIN	Address
3.	Mr. Alok Kumar Das <i>Independent Director</i>	51	00243572	20 Chanchal Sarani, P O Santoshpur, Kolkata, West Bengal – 700075
4.	Mr. Mitesh M. Mehta <i>Independent Director</i>	48	01064272	13, Suryadarshan, 44/50, Walkeshwar Road, Mumbai - 400006

For detailed profile of our Chairman and Managing Director and other Directors, refer to chapters titled “Our Management” and “Our Promoters and Promoter Group” beginning on page 72 and 83 respectively of the Draft Prospectus.

Company Secretary and Compliance Officer

Ms. Suman Makhija
GCM Capital Advisors Limited
 505, Raheja Centre,
 214, Free Press Journal Marg,
 Nariman Point,
 Mumbai – 400021
Tel: +91 22 3085 9103
Fax: +91 22 3085 9107
Email: ipo@gcmcap.com
Website: www.gcmcap.com

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue, S.K. Infosolutions Private Limited and / or the Lead Manager, i.e., Inventure Merchant Banker 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

Inventure Merchant Banker Services Private Limited
 2nd Floor, Viraj Tower,
 Nr. Andheri Flyover (North End)
 Western Express Highway,
 Andheri (East), Mumbai – 400 069
Tel No: +91 22 4075 1515
Fax No: +91 22 4075 1552
Email: sme.ipo@inventuremerchantbanker.com
Investor Grievance Email: redressal@inventuremerchantbanker.com
Website: www.inventuregrowth.com
SEBI Registration No: INM000012003
Contact Person: Mr. Saurabh Vijay

Registrar to the Issue

S.K. Infosolutions Private Limited
 34/1A, Sudhir Chatterjee Street,
 Kolkata - 700006
Tel No: +91 33 2219 6797;

Fax No: +91 33 2219 4815
Website: www.skcinfo.com
Email: contact@skcinfo.com
Contact Person: Mr. Dilip Bhattacharya
SEBI Registration No: INR000003886

SK Infosolutions Private Limited has applied to SEBI for renewal of licence and change of name from SK Computers to SK Infosolutions Private Limited.

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

ICICI Bank Limited

215, Free Press House,
Free Press Marg,
Nariman Point,
Mumbai – 400 021
Tel: +91 22 6757 4314
Email: yogesh.shinde@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Vivek Adari

Statutory Auditors of our Company (Peer Review certified)

Maheshwari & Co.

Chartered Accountants
–10-11, Third Floor,
Esplanade Building,
3 A.K. Naik Marg (Bestian Road),
Fort, Mumbai - 400001
Tel: +91 22 2207 7472
Fax: +91 22 2207 2620
Email: info@maheshwariandco.in
Contact Person: Mr. K.K. Maloo
Membership No: 075872
FRN: 105834W

Bankers to the Issue/Escrow Collection Banks

[•]

Refund Bankers to the Issue

[•]

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 Inventure Merchant Banker 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 Draft 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 Clause 52 of the SME Listing Agreement to be entered into with the Stock Exchange 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 March 13, 2014. 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
Inventure Merchant Banker Services Private Limited 2 nd Floor, Viraj Tower, Nr. Andheri Flyover (North End) Western Express Highway, Andheri (East), Mumbai – 400 069 Tel No: +91 22 4075 1515 Fax No: +91 22 4075 1552 Email: sme.ipo@inventuremerchantbanker.com Website: www.inventuregrowth.com SEBI Registration No: INM000012003	6,78,000	135.60	15.07%

Bindal Equities Ltd. 206, B, Vaishno Chambers, 6, Brabourne Road, Kolkata – 700001 Tel: +91 33 3022 2316 Email: sureshsaraf@bindalgroup.in SEBI Registration No: INB011460632	38,22,000	764.40	84.93%
Total	45,00,000	900.00	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 Exchange.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into a tripartite agreement dated March 13, 2014, with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

Bindal Equities Ltd.
206, B, Vaishno Chambers,
6, Brabourne Road,
Kolkata – 700001
Tel: +91 33 3022 2316
Email: sureshsaraf@bindalgroup.in
SEBI Registration No: INB011460632

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 5) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 6) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 7) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for

non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

- 8) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

#

- 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:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

#

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

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Draft 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		
	1,80,00,000 Equity Shares of ₹ 10 each	1,800.00	--
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,24,40,000 Equity Shares of ₹ 10 each	1,244.00	--
C.	Present Issue in terms of the Draft Prospectus^(a)		
	Public Issue of 45,00,000 Equity Shares at a Issue price of ₹ 20 per Equity Share	450.00	900.00
	<i>Which comprises:</i>		
a)	Reservation for Market Maker(s) - 2,28,000 Equity Shares of face value of ₹ 10 each reserved as Market Maker portion at a price of ₹ 20 per Equity Share	22.80	45.60
b)	Net Issue to the Public of 42,72,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 20 per Equity Share	427.20	854.40
	Of the Net Issue to the Public		
-	21,36,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 20 per Equity Share shall be available for allocation for Investors applying for a value of upto ₹ 2 lacs	213.60	427.20
-	21,36,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 20 per Equity Share shall be available for allocation for Investors applying for a value above ₹ 2 lacs	213.60	427.20
D.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	1,69,40,000 Equity Shares of ₹ 10 each	1,694.00	--
E.	Securities Premium Account		
	Before the Issue		1,238.00
	After the Issue		1,688.00

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on February 17, 2014, and by the shareholders of our Company vide a special resolution passed pursuant to section 81(1A) of the Companies Act, 1956 at the EGM held on March 11, 2014.

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		
₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each.		On incorporation	-

Particulars of Change		Date of Shareholders' Meeting	AGM/EGM
From	To		
₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each.	₹ 7,50,00,000 consisting of 75,00,000 Equity shares of ₹ 10 each.	June 5, 2013	EGM
₹ 7,50,00,000 consisting of 75,00,000 Equity shares of ₹ 10 each.	₹ 12,50,00,000 consisting of 1,25,00,000 Equity shares of ₹ 10 each.	August 8, 2013	EGM
12,50,00,000 consisting of 1,25,00,000 Equity shares of ₹ 10 each.	₹ 18,00,00,000 consisting of 1,80,00,000 Equity shares of ₹ 10 each.	March 11, 2014	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 Shares	Cumulative Paid-up Capital (₹)	Cumulative Securities premium (₹)
09.05.2013	60,000	10	10	Cash	Subscription to Memorandum of Association	60,000	6,00,000	Nil
11.06.2013	24,55,000	10	20	Cash	Preferential Allotment	25,15,000	2,51,50,000	2,45,50,000
12.06.2013	4,32,500	10	20	Cash	Preferential Allotment	29,47,500	2,94,75,000	2,88,75,000
25.06.2013	6,92,500	10	20	Cash	Preferential Allotment	36,40,000	3,64,00,000	3,58,00,000
26.06.2013	5,20,000	10	20	Cash	Preferential Allotment	41,60,000	4,16,00,000	4,10,00,000
27.06.2013	4,10,000	10	20	Cash	Preferential Allotment	45,70,000	4,57,00,000	4,51,00,000
28.06.2013	3,05,000	10	20	Cash	Preferential Allotment	48,75,000	4,87,50,000	4,81,50,000
29.06.2013	11,05,000	10	20	Cash	Preferential Allotment	59,80,000	5,98,00,000	5,92,00,000
30.07.2013	3,05,000	10	20	Cash	Preferential Allotment	62,85,000	6,28,50,000	6,22,50,000
31.07.2013	3,47,500	10	20	Cash	Preferential Allotment	66,32,500	6,63,25,000	6,57,25,000
01.08.2013	2,55,000	10	20	Cash	Preferential Allotment	68,87,500	6,88,75,000	6,82,75,000
23.08.2013	6,12,500	10	20	Cash	Preferential Allotment	75,00,000	7,50,00,000	7,44,00,000
13.09.2013	21,67,500	10	20	Cash	Preferential Allotment	96,67,500	9,66,75,000	9,60,75,000
14.09.2013	3,00,000	10	20	Cash	Preferential Allotment	99,67,500	9,96,75,000	9,90,75,000
30.09.2013	4,55,000	10	20	Cash	Preferential Allotment	1,04,22,500	10,42,25,000	10,36,25,000

25.11.2013	2,80,000	10	20	Cash	Preferential Allotment	1,07,02,500	10,70,25,000	10,64,25,000
26.11.2013	1,25,000	10	20	Cash	Preferential Allotment	1,08,27,500	10,82,75,000	10,76,75,000
02.01.2014	55,000	10	20	Cash	Preferential Allotment	1,08,82,500	10,88,25,000	10,82,25,000
26.02.2014	15,57,500	10	20	Cash	Preferential Allotment	1,24,40,000	12,44,00,000	12,38,00,000

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 Promoter were acquired / allotted in the following manner:

Details of build-up of shareholding of the Promoter 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
GCM Securities Limited								
09.05.2013	Subscription to Memorandum	30,000	10	10	Cash	0.24%	0.18%	1 Year
11.06.2013	Preferential Allotment	20,70,000	10	20	Cash	16.64%	12.22%	3 Years
29.06.2013	Preferential Allotment	7,50,000	10	20	Cash	6.03%	4.43%	3 Years
23.08.2013	Preferential Allotment	2,87,500	10	20	Cash	2.31%	1.70%	3 Years
13.09.2013	Preferential Allotment	2,92,500	10	20	Cash	2.35%	1.73%	3 Years
		15,95,000				12.82%	9.42%	1 Year
26.02.2014	Preferential Allotment	10,65,000	10	20	Cash	8.56%	6.29%	1 Year
	Total	60,90,000				48.95%	35.95%	

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 Promoter for a period of three (3) years from the date of Allotment ("minimum Promoter' 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 Promoter for the lock-in of 34,00,000 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. 90,40,000 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 Promoter 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:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) 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;
- c) Equity Shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; 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.* 90,40,000 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 Promoter 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 Promoter which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoter / 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 Promoter 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 SME Equity Listing Agreement, as on the date of the Draft Prospectus:

Category code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in dematerialized	Total shareholding as a % of total number of shares	Shares pledged or otherwise encumbered
---------------	-------------------------	---------------------	---------------------	--------------------------------------	---	--

				form	As a % of (A+B)	As a % of (A+B+ C)	No. of shares	As a % of shareh olding
(A)	Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family / Nominee of Promoter	4	20,000	20,000	0.16	0.16	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	3	65,92,500	65,92,500	52.99	52.99	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)	7	66,12,500	66,12,500	53.16	53.16	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
(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)	7	66,12,500	66,12,500	53.16	53.16	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	2	145000	145000	1.17	1.17	Nil	Nil
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	582	3560000	3395000	28.62	28.62	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	52	1390000	1390000	11.17	11.17	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
	5. HUFs	105	732500	722500	5.89	5.89	Nil	Nil
	Sub-Total (B)(2)	741	5827500	5652500	46.84	46.84	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)	741	5827500	5652500	46.84	46.84	Nil	Nil
	TOTAL (A)+(B)	748	12440000	12265000	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)	748	12440000	12265000	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 SME Equity 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 BSE 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			12440000

(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.	GCM Securities Limited	6,090,000	48.95%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	48.95%
2.	GCM Commodity & Derivatives	497,500	4.00%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.00%
3.	Global Capital Markets & Services	5,000	0.04%								0.04%
4.	Mr. Inder Chand Baid	5,000	0.04%								0.04%
5.	Mr. Manish Baid	5,000	0.04%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.04%

6.	Mr. Samir Baid	5,000	0.04%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.04%
7.	Mrs. Saroj baid	5,000	0.04%								0.04%
TOTAL		6,612,500	53.16%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	53.16%

(*) 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 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 (A) + (B) + (C)	No.	As a percentage	As a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III)* 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	KHOBSURAT LIMITED	1,35,000	1.09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.09

* 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 are 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)	Promoter	6090000	48.95%	6090000	35.95%
b)	Promoter Group	522500	4.20%	522500	3.08%
c)	Public	5827500	46.84%	10327500	60.97%
Total		12440000	100.00%	16940000	100.00%

7. The shareholding pattern of our Promoter 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)	Promoter	6,090,000	48.95%	6,090,000	35.95%

	GCM Securities Limited	6,090,000	48.95%	6,090,000	35.95%
b)	Promoter Group	522,500	4.20%	522,500	3.08%
	GCM Commodity & Derivatives Limited	497,500	4.00%	497,500	2.94%
	Global Capital Markets & Infrastructures Limited	5,000	0.04%	5,000	0.03%
	Mr. Inder Chand Baid	5,000	0.04%	5,000	0.03%
	Mr. Manish Baid	5,000	0.04%	5,000	0.03%
	Mr. Samir Baid	5,000	0.04%	5,000	0.03%
	Mrs. Saroj Baid	5,000	0.04%	5,000	0.03%
Total		6,612,500	53.16%	6,612,500	39.03%

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. Other than as mentioned below our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Prospectus at a price lower than the Issue price.

<i>Date of Allotment</i>	<i>Nature of Allotment</i>	<i>Name of the Allottees</i>	<i>No. of Shares</i>	<i>Issue Price (₹)</i>	<i>Whether part of Promoter Group</i>
April 5, 2013	Subscription to Memorandum of Association	GCM Securities Limited	30,000	10.00	Yes
		Inderchand Baid	5,000		
		Manish Baid	5,000		
		Samir Baid	5,000		
		Saroj Baid	5,000		
		Global Capital Market & Infrastructure Limited	5,000		
		GCM Commodity & Derivatives Limited	5,000		

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 Draft 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 Draft Prospectus, there are no transactions in our Equity Shares, which have been purchased/(sold) by our Promoter, his 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 Draft Prospectus.

14. Our Company, our Promoter, 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 Draft 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 Promoter 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, 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 Draft 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 Draft 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 Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of then Issued Capital
1.	GCM Securities Limited	60,90,000	48.95%
2.	GCM Commodity & Derivatives Limited.	4,97,500	4.00%
3.	Khoobsurat Limited	1,35,000	1.09%
4.	Navin Kumar Gupta	80,000	0.64%
5.	Jyothi C	50,000	0.40%
6.	Kushal Agarwal	50,000	0.40%
7.	Prateek Agarwal	50,000	0.40%
8.	R Chenraj Roychand	50,000	0.40%
9.	Rekha Agarwal	50,000	0.40%
10.	Ruchi Gupta	50,000	0.40%
Total		71,02,500	57.09%

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

Sr. No.	Name of shareholder	No. of Shares	% of then Issued Capital
1.	GCM Securities Limited	60,90,000	48.95%
2.	GCM Commodity & Derivatives Limited.	4,97,500	4.00%
3.	Khoobsurat Limited	1,35,000	1.09%
4.	Navin Kumar Gupta	80,000	0.64%
5.	Jyothi C	50,000	0.40%
6.	Kushal Agarwal	50,000	0.40%
7.	Prateek Agarwal	50,000	0.40%

8.	R Chenraj Roychand	50,000	0.40%
9.	Rekha Agarwal	50,000	0.40%
10.	Ruchi Gupta	50,000	0.40%
Total		71,02,500	57.09%

(c) Particulars of the shareholders as on the date of incorporation:

Sr. No.	Name of shareholder	No. of Shares	% of the Issued Capital
1	GCM Securities Limited	30,000	50.00%
2	GCM Commodity & Deratives Limited	5,000	8.33%
3	Global Capital Markets & Infrastructures Limited	5,000	8.33%
4	Mr. Inder Chand Baid	5,000	8.33%
5	Mr. Manish Baid	5,000	8.33%
6	Mr. Samir Baid	5,000	8.33%
7	Mrs. Saroj Baid	5,000	8.33%
Total		60,000	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 Promoter to the persons who receive allotments, if any, in this Issue.
27. We have 748 shareholders as on the date of filing of the Draft Prospectus.
28. Our Promoter 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 Draft Prospectus.
31. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange 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 February 28, 2014, please refer to paragraph titled “*Statement of Transactions with Related Parties, as Restated*” in the chapter titled ‘*Financial Information*’ beginning on page 110 of the Draft 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 72 of the Draft 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	860.00
B.	Public Issue Expenses	40.00
Total		900.00

Means of Finance

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Proceeds from Initial Public Offer	900.00
Total		900.00

We propose to meet the requirement of funds for the stated objects of the Issue from the Net 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 62 of the Draft 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

We will need additional working capital for the growth of our business. We have estimated our additional working capital requirements for fiscal 2015 which will be funded through the proposed public issue. The working capital will be primarily used for expanding our business operations. As a part of our treasury operations, our Company is also engaged in making investment in the form of Debt & Equity in various companies. We are not bound by pre-defined restrictions in regards to our search for investment opportunities. We invest in companies in a variety of markets and stages. Our management approach can take the form either of driving change or partnership with existing owners. Our Company invests its own funds. Apart from capital we offer our expertise to management drawing on our own resources as well as an extensive network of specialists to aid company's transformation in a variety of ways. We seek companies that have a need for change and would benefit from an active investor with a longer term perspective. In such cases, we typically prefer to participate via active investments. We also fund the requirements of our clients and business associates by providing short term loans and advances to them and earning interest income from the same. These advances are made typically in our known circle and through proper reference checks.

With the proposed expansion plan in place we also plan to strengthen our management team and its competencies by hiring new qualified professionals and undertaking training programmes for the development of the existing management team. We believe that our ability to grow depends to a significant extent on our ability to attract and retain the best talent in the market place. The amount will also be used for our Company intends to deploy part of the above proceeds towards other corporate purposes, including but not restricted to strategic initiatives, organic growth opportunities strengthening of our marketing capabilities, meeting exigencies and contingencies which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

The increasing operations of our Company will in turn lead to the increase in the requirement of working capital. Our Company proposes to meet the incremental requirement to the extent of ₹ 860 Lacs from the Proceeds of the Issue.

(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, Advisors, Registrars, Bankers etc and other out of pocket expenses.	29.00
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	6.00
3.	Regulatory fees and other expenses	5.00
Total		40.00

Schedule of implementation

The entire Working capital will be utilised during FY 2014-15.

Deployment of Funds in the Project

Our Company has not deployed any amount on the Objects of the Issue.

Details of balance fund deployment

(₹ in Lacs)				
Sr. No.	Particulars	Expenses Already Incurred	FY 2014-15	Total
1	Augmenting long term working capital	0.00	860.00	860.00
2	Public Issue Expenses	0.00	40.00	40.00
Total		0.00	900.00	900.00

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 Net 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 Exchange. The statement shall be certified by our Statutory Auditors.

Further, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Draft Prospectus. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under clause 43 of the SME 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 Promoter, Directors, Key Managerial Personnel or group concerns/companies promoted by our Promoter.

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 110, respectively, of the Draft 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 62 of the Draft Prospectus.

Quantitative Factors

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

The EPS for the period ended February 28, 2014 is ₹ 0.61

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 20:

Particulars	P/E at the Issue Price (₹ 20)
a. Based on EPS of ₹ 0.61	32.79

Industry P/E	
▪ Highest – Nalwa Sons	375.50
▪ Lowest – First Leasing Co	0.8
▪ Average (Finance & Investments)	11.2

Source: Capital Market, Vol XXVIII/25, February 3 – 16, 2014

3. Return on Net Worth

The Return on Net Worth for the period ended February 28, 2014 is 1.92%

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:

A) Based on Basic and Diluted EPS of ₹ 0.61

- a. At the Issue Price of ₹ 20 – 3.01 % based on restated financial statements.

5. Net Asset Value per Equity Share

- As of February 28, 2014 ₹ 20.34
- NAV per Equity Share after the Issue is ₹ 20.25
- Issue Price per Equity Share is ₹ 20.00

6. Comparison of Accounting Ratios

Name of the Company	Face Value (₹)	EPS - TTM (₹)#	P/E Ratio	RONW (%)	NAV (₹)
AK Capital Services	10	45.7	2.7	11.5	437.3
Ladderup Finance	10	2.1	6.6	8.5	24.8
Motilal Oswal Finance	1	2.9	28.7	6.9	40.9
GCM Capital Advisors Limited	10	0.61	32.79	1.92	20.34

Source: Capital Market, Vol XXVIII/25, February 3 – 16, 2014

*Based on February 28, 2014 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 2 times the face value.

The Issue Price of ₹ 20 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 10, 62 and 110, respectively of the Draft Prospectus.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
GCM Capital Advisors 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 GCM Capital Advisors 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 GCM Capital Advisors 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 of intentional misconduct.

Thanking you,
Yours faithfully,
For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

Mr. K.K. Maloo
Partner
Membership No: 075872
Date: March 14, 2014

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

GENERAL MACRO-ECONOMIC ENVIRONMENT

After the setback in 2011-12, the early 2012-13 marked a more pronounced deterioration in activity across the globe. The recovery however became imminent as credit markets healed in US and short term risks in the Euro area trimmed. While investment dipped, consumption picked up across the globe in varied measures – slowly in advanced economies and steadily in emerging markets. Prudent macroeconomic policies have been leading the way to recovery across the economies.

Financial markets have boosted the economic activity and the broad markets have rallied in late 2012-13. Rate cuts have been induced to combat slowdown by many central banking authorities. Back at home, weakening of growth in industrial and services sector earmarked one of the lowest growth rates in recent times.

The growth rate which had declined in 2011-12 to 6.2 percent continued further southward in 2012-13 and the provisional estimates put it at a decadal low rate of 5.0 percent. Gross Domestic Product (GDP) estimates at factor cost at constant (2004-05) prices for FY13 is likely to be ₹ 55,05,437 crore as against ₹ 52,43,582 crore for FY12 and the growth is expected to be 5.0 percent as compared to 6.2 in FY12.

While the previous year witnessed Services sector supporting the growth rate amidst the stagnation prevailing in agriculture and industry, the current fiscal year saw all the three sectors losing the momentum. Global financial woes and the domestic concerns seem to have dampened domestic concerns seem to have dampened the economic expansion much in the 2012-13 as compared to the previous year. Agriculture growth rate fell from 3.6 percent in 2011-12 to 1.9 percent in 2012-13. Industry recorded a growth of 1.2 percent in 2012-13 as compared to a rate of 2.7% in the previous fiscal year. Services sector recorded sluggish growth on account of falling export of IT/ITeS and is expected to be 6.8 percent for 2012-13 while it stood at 7.9 percent for 2011-12.

Source: SEBI Annual Report 2012-2013

Indian Financial Services Sector

There has been a considerable broadening and deepening of the Indian financial markets due to various financial market reforms undertaken by the regulators, the introduction of innovative financial instruments in the recent years and the entry of sophisticated domestic and international players. Sectors such as banking, asset management and brokerage have been liberalised to allow private sector involvement, which has contributed to the development and modernisation of the financial services sector. This is particularly evident in the nonbanking financial services sector, such as equities, derivatives and commodities brokerage, residential mortgage and insurance services, where new products and expanding delivery channels have helped these sectors achieve high growth rates.

Source: SEBI Annual Report 2012-2013

Capital markets

Indian securities market started the year 2012-13 on a low note following the global economic signals of 2011-12. The reform measures undertaken by the government as well as slender improvements visible in the global economic condition have however uplifted the mood in the domestic securities market. The Sensex which closed at 17,404 on March 30, 2012 reached 18,836 as on March 28, 2013. It touched the 20,000 mark during the year, which was last seen in October 2010. Nifty, too, touched the 6,000 mark while closing at 5,683 on March 28, 2013 while the Sensex registered a growth of 8.2 percent, Nifty recorded a growth of 7.3 percent. Indian markets also witnessed the establishment of a third stock exchange in the country with nationwide terminal with MCX-SX going live in equities and equities derivatives segment on February 11, 2013.

The market capitalisation of BSE stood at ₹ 63, 87, 887 at end-March 2013 compared to ₹ 62, 14,941 crore as of end-March 2012 while its ratio to GDP stood at 63.7 percent for 2012-13. The market capitalisation of NSE was ₹ 62,39,035 at end-March 2013 compared to ₹ 60, 96,518 crore as of end-March 2012 while its ratio to GDP stood at 62.2 percent for 2012-13. The number of demat accounts at the two depositories grew by over 5 percent during the fiscal year. The number of listed companies at NSE and BSE continued to rise.

Source: SEBI Annual Report 2012-2013

No. of Listed Companies

Year	NSE No. of Companies listed	BSE No. of Companies listed
2010-11	1,574	5067
2011-12	1,646	5133
2012-13	1,666	5,211

In addition, the growth of the economy and Indian corporations has coincided with a sharp increase in foreign direct investment, including significant participation from private equity firms, a marked increase in investment in the real estate sector, increasing M&A activity, and a growing demand for credit from both corporations and consumers. With it, there has been a proliferation in the presence of intermediaries such as investment banks and securities firms that closely monitor the performance of the markets and provide extensive fundamental and technical research on the economy, sectors, and companies. All of these have contributed significantly to the growth of the Indian capital markets.

Corporate borrowing requirements are primarily met through the domestic banking system, due to the limited development of the corporate bond market. Large corporations are able to tap into the international banking system for their funding requirements however the RBI has placed restrictions on these borrowings by establishing limits on the amount and the rate at which corporations can borrow abroad. It is widely believed that for the healthy development of the Indian capital markets and corporate sector, it is imperative that the debt markets develop in a systematic and scalable manner.

Primary Securities Market

Primary markets play the role of mobilizing the capital to the corporate both public and private. A healthy and efficient primary market is reflective of the economic stability that further accentuates the investor confidence in the markets. Indian Primary markets have seen a revival in the activity partly reflecting the recovery imminent in the global scenario. Resources mobilized in the primary market have risen by around 20 percent in the wake of the renewed economic fervor. A total of ₹ 15,474 crore of Equity capital has been raised in 2012-13 through 49 issues, compared with ₹ 12,857 crore raised through 51 issues in 2011-12. Certain reforms in policies have been undertaken to build up the investor confidence further.

Source: SEBI Annual Report 2012-2013

Secondary Securities Market

Secondary markets are often referred to as the barometer to a nation's health. The stock prices in FY13 started on a low note carrying forward the fluctuations of the past financial year but the current financial year saw the indices scaling new height and achieving the pre crisis levels. Initiatives have been taken to revive the investor confidence and participation which was dampened in the previous year on global cues.

Growth of Turnover in Various Segments of Indian Stock Market

Year	Turnover (₹ crore)		
	Cash Segment (All India)	Equity Derivatives (NSE+BSE+MCX-SX)	Currency Derivatives (NSE+MCX-SX+USE)
2010-11	46,82,437	2,92,48,375	76,43,805
2011-12	34,78,391	3,21,58,208	98,96,413
2012-13	32,57,087	3,87,04,572	87,10,504

Source: BSE, NSE, MCX-SX & USE

Source: SEBI Annual Report 2012-2013

Debt Markets

The Indian debt market is the third largest in Asia ex-Japan after China and Korea. A large variety of instruments are available to investors, ranging from government bonds and T-bills to certificates of deposit, commercial paper and private-sector bonds. Issuers include the central government, the states of the Indian Union, private and public sector companies, and financial institutions.

The corporate bond market continues to lag behind the government debt market owing to problems such as non-availability of a trading platform, central clearing and settlement, stringent documentation requirements and secondary market volumes which continues to deter issuers from raising money via the bond route.

Accordingly, Indian debt capital markets such as investment grade and high yield debt, mortgage and asset backed securities, both onshore and offshore, have remained underdeveloped relative to the equity capital markets. Debt financing requirements of Indian corporates is primarily met by Indian banks and select International banks that participate in foreign currency international syndications. Large corporations are increasingly able to tap into the international debt capital markets in order to meet their borrowing and acquisition financing requirements. Banks have recently been growing their assets by 20-30% per annum, but given the lack of depth in the asset and mortgage based securities markets, banks are unable to effectively manage their capital and balance sheets by offloading risk. There are several reasons for the underdeveloped debt markets in India such as regulatory limitations, underdevelopment of infrastructure, high transaction costs, and a limited investor base. RBI has placed restrictions on borrowings by establishing limits on the amount and the rate at which corporations can borrow abroad. It is widely believed and recognised by various constituencies that the development of the Indian debt markets is necessary in order to meet the large funding requirements of the growing corporate and financial sector.

Investment Banking

With the strong growth in the economy, Indian companies have grown profits rapidly and have increased the scale of their operations. At the same time, their requirements for capital have increased as has their demand for increasingly sophisticated methods of funding, need for strategic advisory services related to mergers, acquisitions and restructurings, and need for risk management solutions.

Indian companies have been increasingly raising funds from both domestic and international equity and equity linked and international debt capital markets. In addition, the pace of private equity activity has accelerated over the past few years. As private equity investing in India has gained momentum, the size and nature of investments has also evolved, increasingly moving from smaller start-up and early stage funding to later stage growth capital investments. There has also been a significant increase in merger and acquisition (“M&A”) activity by Indian companies in recent years. This continuing increase is evident in the inbound, outbound and domestic segments.

Indian Financial Sector – The way forward

The far-reaching changes in the Indian economy since liberalization have had a deep impact on the Indian financial services sector. Financial sector reforms that were initiated by the government since the early ‘90s

have been to meet the challenges of a complex financial architecture. This has ensured that the new emerging face of the Indian financial sector will culminate in a strong, transparent and resilient system.

Broadly, financial sector reforms can be categorized in two phases. The first phase of economic reforms that started in 1985 focused on increasing productivity, new technology import and effective use of human resources. These efforts were in line with the changes in international markets, organisations and production areas. In the second phase, beginning in 1991-92, the government aimed at reducing fiscal deficit by opening the economy to foreign investments. Financial sector reforms during this period focused on modification of the policy framework, improvement in financial health of the entities and creation of a competitive environment. These reforms targeted three interrelated issues viz. (i) strengthening the foundations of the banking system; (ii) streamlining procedures, upgrading technology and human resource development; and (iii) structural changes in the system.

The last decade witnessed a significant broadening and deepening of financial markets with the introduction of several new instruments and products in banking, insurance and capital markets space. During this time, the Indian financial sector (banking, insurance and capital markets) opened up to new private players including foreign companies. The new players adopted international best practices and modern technology to offer a more sophisticated range of financial services to corporate, retail and institutional customers. The consequent competition in the market brought in innovation, better customer service and efficiency in the financial sector in India.

Financial sector regulators too have been proactive in ensuring that new regulations and guidelines are more or less in tandem with the growth in the financial sector. Financial intermediaries have gradually moved to internationally acceptable norms for income recognition, asset classification, provisioning and capital adequacy. These developments have given a strong impetus to the development and modernization of the financial sector in India. Going forward the aim would be to achieve international standards in this area within the shortest possible period.

India's services sector has been the most dynamic part of its economy, leading GDP growth for past two decades. India serves as an example as to how services sector can play an important role in a country's economic growth. India is doing reasonably well in retail sector and the financial sector including insurance. India is now eager to open up the pensions sector also to foreign investors. The way these sectors have been developed with a robust regulatory and policy framework also holds important lessons for other countries. India's financial services sector has been one of the fastest growing sectors in the economy. The economy has witnessed increased private sector activity including an explosion of foreign banks, insurance companies, mutual funds, venture capital and investment institutions. Although significant steps have been taken in reforming the financial sector, some areas require greater focus.

- The ability of the financial services sector in its present structure to make available investible resources to the potential investors in coming years, such as equity and long term, medium and short-term debt.
- The inability of banks to quickly enforce security and access to collateral, and the capital constraints in recognizing large loan losses.
- Volatility in global commodity prices has had a major impact on Indian companies. This has led to non-performing loans and provisioning for credit losses becoming a key area of concern for the Indian financial system.

Source: <http://blog.ficci.com/financial-sector-india/2776/>

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 Draft Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page 10 of the Draft 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 10, 110 and 125, respectively, of the Draft Prospectus.

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

Overview

We are a diversified financial services company mainly engaged in the business of providing financial advisory & consultancy services and engaged in treasury operations by providing funding solutions to our clients both in the form of Debt & Equity and investment activities.

1. Financial Advisory And Consultancy Services
2. Treasury Operations

We provide integrated solutions to our clients which includes managing crucial aspects like corporate finance, working capital finance, project finance and financial restructuring to corporate. We are primarily focused on small and mid sizes enterprises (SMEs).

As a part of our treasury operations, our Company is also engaged in making investment in the form of Debt & Equity in various companies. We are not bound by pre-defined restrictions in regards to our search for investment opportunities. We invest in companies in a variety of markets and stages. Our management approach can take the form either of driving change or partnership with existing owners.

We need sufficient financial liquidity and resources to be able to meet demands and opportunities from our development plans as they arise over time. The investment strategies are mostly long-term, and are based on an analysis of investment fundamentals. Our investments range from very complex financial instruments, to more basic schemes.

We also fund the requirements of our clients and business associates by providing short term loans and advances to them and earning interest income from the same.

GCM Group

GCM Group is professionally managed Group led by Mr. Inder Chand Baid who is the founder member and through his managerial acumen and cumulative experience of over four decades in the financial markets and financial services has steered the growth of GCM Group.

GCM Group offers host of services under one roof providing comprehensive advisory services that are well diversified from trading services in equity cash and derivatives market, commodities segment to financing activity. GCM Group has direct interests in equity, debt and other activities like commodity broking and non-banking financial services..

OUR SERVICES AND PROCESSES

1. FINANCIAL ADVISORY AND CONSULTANCY SERVICES

- Working Capital Finance

A healthy working capital position is an indicator of sound financial position of the enterprise. We are equipped to arrange debt funds for working capital for our clients and also help them in negotiations with their lenders.

- **Project Finance**

We also have expertise in arranging debt funds for growth. We assist our clients in conceptualising the project, preparation of project reports and achieving financial closure as well as advice on the complexities of refinancing.

Though the procurement of finance for projects is complex, highly competitive and time-consuming process, we simplify and customize it, saving significantly on both time and monetary parameters. We create a commercial framework for the projects in such a way that it attracts the interest of-quality lenders and investors.

- **Financial Restructuring**

We assist our customers in restructuring their debt and determine appropriate business strategy that is exclusively devised for them. With our innovative approach, we devise a mutually beneficial solution for lenders as well as the borrowers. We advise perfect terms of restructuring on crucial parameters like Interest rates, Financial covenants, etc. We offer the following financial restructuring services:

- Identifying the businesses which create value
- Devising the optimum capital structure and restructuring debt to match cash flows
- Analyzing competitor and company cash flows, sustainable growth rate, threshold margin, etc.
- Realignment of repayment schedule
- Funding/ waiver of interest due
- Tenure based risk return
- Interest cost realignment / reduction
- One time settlement (OTS)
- Credit enhancement & Securitisation
- Enhancement of security structure
- Conversion of debt into equity/ quasi equity
- Revisiting guarantees / terms

- **Private Equity**

With globalization being the mantra of most business houses today, a dynamic economy and favourable demographics make investments more viable than before. Companies are ever-increasingly requiring strategic funding that can help them achieve their goals.

As a facilitator we understand the financial and strategic needs of a Company and bring in private equity investors whose philosophy and financial goals can merge to form a win-win situation for all. Private Equity plays a major role in accelerating growth. In addition to providing finance the client can also gain access to new customers, suppliers, opportunity to join forces with other enterprises in the PE firm's portfolio and get management depth. Our activities under Private Equity include the following:

- Feasibility Assessment
- Corporate Structuring
- Deal Structuring
- Total Diagnostic Analysis
- Business Plan Generation
- Information Memorandum
- Investor Identification & Introduction
- Conference Calls
- Promoter Meeting
- Valuations & Terms
- Signing of Term Sheet
- Due Diligence
- Signing of Legal Agreement
- Signing of Share Purchase Agreement

- Transfer of Funds

- **Merger & Acquisitions and Corporate Restructuring**

M&A transactions bring separate companies together to form larger ones. Corporate restructuring deals do the reverse and break up companies through spin-offs, carve-outs or tracking stocks.

Our role in Corporate Restructuring consists of:

- Advising on merger transactions & managing the merger process.
- Assisting companies in acquisitions.
- Assisting in finalizing the deal.
- Arranging finance for the deal.

- **Direct Listing of securities**

We help the companies listed on Regional Stock Exchanges to get their equities listed on Stock Exchanges having nationwide presence. Investors in companies which are listed on Regional Stock Exchanges have been impacted severely, as the RSEs are recording either nil or negligible trading volumes. Investors in such small and medium companies are therefore unable to find an exit route and realize fair market value of their investments. The companies listed only at RSEs find it extremely difficult, if not impossible, to raise fresh resources from the capital markets in the absence of price discovery of their securities in the secondary market. Listing on Stock Exchanges having nationwide presence, give the aforesaid advantages to investors and companies.

2. TREASURY OPERATIONS

a. Investment Activities

As a part of our treasury operations, our Company is also engaged in making investment in the form of Debt & Equity in various companies. We are not bound by pre-defined restrictions in regards to our search for investment opportunities. We invest in companies in a variety of markets and stages. Our management approach can take the form either of driving change or partnership with existing owners.

Our Company invests its own funds. Apart from capital we offer our expertise to management drawing on our own resources as well as an extensive network of specialists to aid company's transformation in a variety of ways. We seek companies that have a need for change and would benefit from an active investor with a longer term perspective. In such cases, we typically prefer to participate via active investments.

b. Short Term Funding

We also fund the requirements of our clients and business associates by providing short term loans and advances to them and earning interest income from the same. These advances are made typically in our known circle and through proper reference checks.

Location

We operate from the following premises:

Type of Facility	Location
Registered Office	505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021

Our Competitive Strengths

Bouquet of financial products and services:

Our Company offer various financial services and products ranging from providing financial advisory & consultancy services, providing funding solutions through debt and equity to cater to the specific needs of our

clients. We believe that our presence in diverse lines of business enables us to reduce risks arising from service and client concentration.

Knowledge of Multiple Financing Options

The knowledge and an independent view on the array of financing options available, provide us an important competitive advantage. We assist our clients through out the exercise by being there at every stage, identify the problems and recommend & implement solutions that deliver measurable results.

Long-term relationships:

To realize the potential in most companies, a long-term perspective is necessary, especially when the ambition is to achieve sustainable growth. We work on the basis of creating long-term relationships with our clients and our team work closely with them to understand their short and long-term goals. We help our clients in their entire growth trajectory.

Strong professional and execution team allows the Company to develop a strong business

Our Company has a team of able and experienced professionals with ability to actively manage funding operations. This coupled with proven promoter track record allows the Company to rapidly grow its client portfolio and business.

Investment Focus

Our Company does not operate with any pre-defined restrictions in regards to which companies, which stages, which markets or which industries it should invest in. As a group, we have a proven track record of identifying and making good investments. The investment process is highly flexible. We are able to take a case from initial discussions to invested funds in a very short time. We are able to react to an opportunity when it is presented. Our Company also receives investment ideas from our network, from different intermediaries in various markets, and directly from target companies.

Our Business Strategy

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic initiatives are described below:

Merchant Banking Activities

Currently our business has revenue verticals, which are professional fees for advisory services, income from investment activities, and interest income. As our business strategy going forward we want to grow venture into Merchant Banking Activities as a SEBI Registered Merchant Banker. Opening up of new listing platform in the form of SME segment can be taken as a great opportunity for merchant bankers and underwrites. It is great platform for small and medium enterprises to raise funds from market and enhance their business. As the number of enterprises will show their interest for raising fund through this platform, we see huge scope in undertaking merchant banking and underwriting activities for all types of public issues. Hence we also plan Merchant Banking Licence from SEBI for the same.

Increase the number of Client Relationships:

We are focused on increasing the number of client relationships and having more number of relationship managers to service these relationships. Our strategy is to increase the number of client relationships and then leverage those client relationships into offering in a whole suite of financial products. During downturn of the markets we believe that increased number of client relationships will add stability to our earnings. As a part of this we also plan to strengthen our sales team to bring in new client relationships to leverage our existing group offerings.

Offer Diversified Financial Products & Services:

Our Company offer to our clients a wide range of financial services and products allowing the clients to leverage their relationship with us and get products suiting their varied needs. This strategy allows us to gain

“share of wallet” of the clients’ consumption of financial services. We offer to the client a comprehensive product offering and are able to increase our revenues per client by selling different products to the same client.

Active Investment:

It is our belief that an active management role is a more effective route to reducing risk than diversifying investment over a range of different projects. We plan to make relatively small number of investments on their own specific merits, rather than hold a larger number of stakes as part of a portfolio diversification strategy.

Plant and Machinery

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

Collaborations

We have not entered into any technical or other collaboration.

Utilities & Infrastructure Facilities

We require computers and laptops for our data preparation work. Our registered office is equipped with latest computer systems, relevant software’s, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

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 break-up of our employees as on the date of the Draft Prospectus:

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

Past Production Figures Industry-wise

The financial services industry is highly fragmented and is dominated by large number of players. For details of the industry data please refer to section titles “Our Industry” beginning on page 58 of the Draft Prospectus.

Competition

The market for Financial Services is both highly competitive and rapidly evolving. We primarily face competition from Indian Financial Services companies as well as international companies which offer broad-based services. We anticipate this competition to grow as the demand for these services increases and we also expect additional companies to enter the Indian market. We expect that further competition will increase recognizing that price alone cannot constitute sustainable competitive advantage.

As our Company enter newer markets, we are likely to face additional competition from those who may be better capitalized, have longer operating history, have greater brand presence, and better management than us. If we are unable to manage our business it might impede our competitive position and profitability. We intend to continue competing vigorously to capture more market share and adding more management personnel to manage our growth in an optimal way.

Approach to Marketing and Marketing Set-up

Our Company has been focusing on acquiring new customers through its direct and indirect channels. Till date our top management have been instrumental in getting the business. Going forward we intend to strengthen our Sales team, which would be one of the strategies to enhance our business goals and revenues.

The Marketing strategy will include

- Leveraging existing customers
- Appointment Sales Personnel

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 service sector 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

Registered Office: 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021

Our Promoter Company, GCM Securities Limited *vide* their letter dated June 1, 2013, has allowed our Company to use the Office located at as our Registered Office along with furniture, fixtures and fittings including telephone etc. without payment of any rent.

Intellectual Property

Our Company does not hold any intellectual property.

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 131 of the Draft Prospectus.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as ‘GCM Capital Advisors Limited’ a public limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 9, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our Company received the Certificate of Commencement of Business on May 31, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Our corporate identification number is U65923MH2013PLC243163. Our promoter is GCM Securities Limited.

We are a diversified financial services company mainly engaged in the business of providing financial advisory & consultancy services and engaged in treasury operations by providing funding solutions to our clients both in the form of Debt & Equity and investment activities.

1. Financial Advisory And Consultancy Services
2. Treasury Operations

We provide integrated solutions to our clients which includes managing crucial aspects like corporate finance, working capital finance, project finance and financial restructuring to corporate. We are primarily focused on small and mid sizes enterprises (SMEs).

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 62 and 125, respectively, of the Draft Prospectus.

The total number of members of our Company as on the date of filing of the Draft Prospectus is 748. For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page 35 of the Draft Prospectus.

Changes in our Registered Office:

Initially our registered office was located at 805, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021 however the same was shifted to 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021 with effect from June 1, 2013.

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 act as a Merchant Bankers, Portfolio Managers, Underwriters, Sub-Underwriters, Consultants for Capital Issues, Advisors to Capital Issues, Registrars to the issue, Share Transfer Agents, Investment Consultants, Consultants and Management Advisors to Corporate Bodies, Individuals and Promoters in commercial, industrial management and policy matters and to make project evaluation, feasibility studies, project report, and surveys and to give expert advice and suggest ways and means for improving efficiency in business organization and concerns and industries of all kinds and/or to act as lead managers, co-managers to issue of shares, stocks, bonds, debentures, commercial paper or other securities of bodies corporate or industrial undertaking and/or shares, stocks, bonds, debentures, commercial paper or other securities issued to any government or semi-government authority or public authority of government under taking or stocks, bonds, debentures or of the securities.

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
June 5, 2013	Increased in authorised capital from ₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each to ₹ 7,50,00,000 consisting of 75,00,000 Equity shares of ₹ 10 each.

August 8, 2013	Increased in authorised capital from ₹ 7,50,00,000 consisting of 75,00,000 Equity shares of ₹ 10 each to ₹ 12,50,00,000 consisting of 1,25,00,000 Equity shares of ₹ 10 each.
March 11, 2014	Increased in authorised capital from ₹ 12,50,00,000 consisting of 1,25,00,000 Equity shares of ₹ 10 each to ₹ 18,00,00,000 consisting of 1,80,00,000 Equity shares of ₹ 10 each.

Key Events and Milestones:

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

Year	Event
May 2013	Incorporation
May 2013	Commenced Operations

Subsidiaries and Holding Company:

Our Company is not a subsidiary of any company. Further, as on the date of the Draft Prospectus our Company does not have any subsidiary company.

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 110 and 35, respectively, of the Draft 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

Since incorporation, there has been no change in the activities being carried out by our Company during the preceding five years from the date of the Draft 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 Draft Prospectus, our employees are not unionized.

Time and cost overruns in setting up projects:

As on the date of the Draft 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 Draft Prospectus.

Other Agreements:

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

Strategic Partners:

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

Financial Partners:

As on the date of the Draft 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 Draft Prospectus, our Board consist of 4 (four) Directors. Mr. Manish Baid 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 2 (two) 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 Draft Prospectus:

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	Manish Baid S/o Mr. Inder Chand Baid <i>Designation: Managing Director (Executive and Non-Independent)</i> <i>Address:</i> 1801-1802, Sky Flama, A wing, China Mills Compound, Dosti Flamingoes, Near Sewree Naka, T.J. Road, Sewree, Parel, Mumbai - 400 015 <i>Nationality:</i> Indian <i>Age:</i> 37 years <i>Occupation:</i> Business <i>DIN:</i> 00239347	<i>Date of appointment:</i> Appointed as Managing Director with effect from March 1, 2014 <i>Term:</i> For a period of 3 years.	<i>Public Limited Companies:</i> <ul style="list-style-type: none"> • GCM Securities Limited • GCM Commodity & Derivatives Limited <i>Private Limited Companies:</i> <ul style="list-style-type: none"> • Silver Pearl Hospitality & Luxury Spaces Limited • Chello Commotrade Pvt. Ltd. • Cadillac Vanijya Pvt. Ltd.
2.	Samir Baid S/o Mr. Inder Chand Baid <i>Designation: Director (Non-Executive and Non-Independent)</i> <i>Address:</i> 1801-1802, Sky Flama, A wing, China Mills Compound, Dosti Flamingoes, Near Sewree Naka, T.J. Road, Sewree, Parel, Mumbai - 400 015 <i>Nationality:</i> Indian <i>Age:</i> 35 years <i>Occupation:</i> Service <i>DIN:</i> 00243521	<i>Date of appointment:</i> Appointed as Non Executive Director with effect from May 9, 2013 <i>Term:</i> Liable to retire by rotation.	<i>Public Limited Companies:</i> <ul style="list-style-type: none"> • GCM Securities Limited • GCM Commodity & Derivatives Limited <i>Private Limited Companies:</i> <ul style="list-style-type: none"> • Silver Pearl Hospitality & Luxury Spaces Limited • Chello Commotrade Pvt. Ltd. • Cadillac Vanijya Pvt. Ltd.
3.	Alok Kumar Das S/o Mr. Subrnoy Das	<i>Date of appointment:</i> March 11, 2014 <i>Term:</i> Liable to retire by	<i>Public Limited Companies:</i> <ul style="list-style-type: none"> • Global Capital Market & Infrastructures Ltd.

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
	<i>Designation:</i> Director <i>(Non-executive and Independent)</i> <i>Address:</i> 20 Chanchal Sarani, P O Santoshpur, Kolkata, West Bengal - 700075 <i>Nationality:</i> Indian <i>Age:</i> 51 years <i>Occupation:</i> Business <i>DIN:</i> 00243572	rotation	<ul style="list-style-type: none"> GCM Commodity & Derivatives Limited GCM Securities Limited <i>Private Limited Companies:</i> <ul style="list-style-type: none"> Silver Pearl Hospitality & Luxury Spaces Limited
4.	Mr. Mitesh M. Mehta S/o Mr. Manoharlal Prabhudas Mehta <i>Designation:</i> Director <i>(Non-executive and Independent)</i> <i>Address:</i> 13, Suryadarshan, 44/50, Walkeshwar Road, Mumbai - 400006 <i>Nationality:</i> Indian <i>Age:</i> 48 years <i>Occupation:</i> Business <i>DIN:</i> 01064272	<i>Date of appointment:</i> March 11, 2014 <i>Term:</i> Liable to retire by rotation	<i>Public Limited Companies:</i> <ul style="list-style-type: none"> Shree Ajit Pulp And Paper Limited <i>Private Limited Companies:</i> <ul style="list-style-type: none"> Nincro Resources Limited Ring Circle Trading Private Limited Swayam Resources Limited

Note:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of the Draft Prospectus.
- 2) None of the Promoter, 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 Promoter, 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. Manish Baid, aged 37 Years, is the Managing Director of our Company. He has completed his Bachelors in Commerce from University of Kolkata. He is a Chartered Accountant by profession. Further, he is having an experience of over 18 Years in capital markets, accounting and taxation. He has been working in the field of capital markets since 1995. He gives strategic direction to our Company and also takes care of finance function of our Company.

Mr. Samir Baid, aged 35 years, is the Managing Director of our Company. He has completed his Bachelors in Commerce from University of Kolkata. He is a Chartered Accountant by Profession and is a Fellow member of the Institute of Chartered Accountants of India. Further, he is having an experience of over 16 Years in Accounting, Taxation and Company Law as well as of Financial Market activities.

Mr. Alok Kumar Das, aged 51 years, is a non-executive independent Director of our Company. He has completed his Bachelors in Commerce from University of Kolkata. He is a Chartered Accountant by Profession. He has been involved in financial activities for over 20 years.

Mr. Mitesh M. Mehta aged 48 years, is a non-executive independent Director of our Company. He has completed his Bachelors in Commerce from University of Mumbai and is a Chartered Accountant by Profession. He is a practicing chartered accountant since 1988 and has over 25 years of experience in taxation, auditing, capital restructuring and advisory in cross border transactions.

Family relationship between Directors

Our Managing Director, Mr. Manish Baid is the brother of our Non Executive Director, Mr. Samir Baid.

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 March 11, 2014 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, 1956, subject to an amount not exceeding ₹ 100.00 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 169 of the Draft Prospectus.

Terms and Conditions of Employment of the Directors

i. Managing Director

Mr. Manish Baid, Managing Director

Mr. Manish Baid is the Managing Director of our Company. He was designated as the Managing Director for a term of three years commencing w.e.f. March 1, 2014 *vide* an EGM resolution dated March 11, 2014. No remuneration is payable to Mr. Manish Baid.

ii. No remuneration is payable to Mr. Samir Baid being non-executive Director of our Company.

iii. Independent Directors

Our independent Directors are not entitled to 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 Draft 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. Manish Baid	5,000	0.04%
2.	Mr. Samir Baid	5,000	0.04%

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 the Draft Prospectus, whose shares have been / were suspended from being traded on the BSE and NSE except Mr. Manish Baid who was Director of M/s. NCL Research & Financial Services Ltd. (NCL) whose trading was suspended by BSE for non-compliances and later was resumed for trading w.e.f. 20th July 2010. (However Mr. Manish Baid was appointed as Director after suspension). He has further resigned from the Directorship of NCL with effect from January 6, 2013.

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 Promoter, 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. Manish Baid and Mr. Samir Baid, being promoters of our Promoter Company, none of our Directors have any interest in the promotion of our Company.

Interest in the property of our Company

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 Draft 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 110 of the Draft Prospectus, our Directors do not have any other interests in our Company as on the date of the Draft 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 is 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
Mr. Manish Baid	March 1, 2014		Reappointed as Managing Director
Mr. Inder Chand Baid	May 9, 2013	March 13, 2014	Resignation
Mr. Alok Kumar Das	March 11, 2014		Appointed as Additional Director to broadbase the board
Mr. Mitesh M. Mehta	March 11, 2014		Appointed as Additional Director to broadbase the board

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 the SME Equity 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 SME Equity 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 SME Equity Listing Agreement. Our Board has four Directors out of which two are independent directors in accordance with the requirement of Clause 52 of the SME Equity Listing Agreement.

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

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

1. Audit Committee

The Audit Committee was constituted *vide* Board resolution dated March 13, 2014 pursuant to Section 292A of the Companies Act and clause 52 of the SME Equity Listing Agreement. As on the date of the Draft Prospectus the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Alok Kumar Das	Chairman	Non-executive and Independent
Mr. Mitesh M. Mehta	Member	Non-executive and Independent
Mr. Samir Baid	Member	Non-Executive and Non-Independent

Our Company Secretary, Ms. Suman Makhija 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 Exchange;
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 Remuneration Committee was constituted at a meeting of the Board of Directors held on March 13, 2014. As on the date of the Draft Prospectus the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mitesh M. Mehta	Chairman	Non-executive and Independent
Mr. Alok Kumar Das	Member	Non-executive and Independent
Mr. Samir Baid	Member	Non- executive and Non-Independent

Our Company Secretary, Ms. Suman Makhija 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 March 13, 2014. As on the date of the Draft Prospectus the Shareholders/ Investors Grievance Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Alok Kumar Das	Chairman	Non-executive and Independent
Mr. Mitesh M. Mehta	Member	Non-executive and Independent
Mr. Manish Baid	Member	Managing Director

Our Company Secretary, Ms. Suman Makhija is the secretary of the Shareholders/ Investors Grievance Committee.

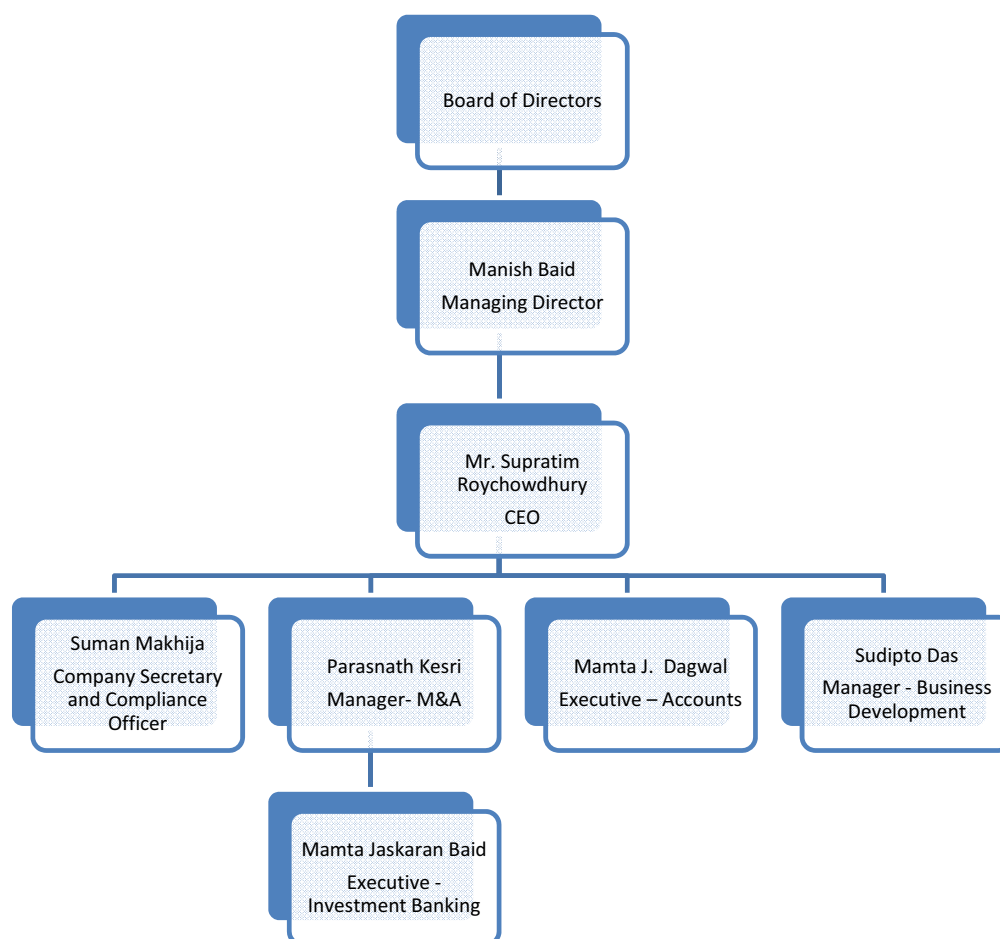
This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of Clause 52 of the SME Equity Listing Agreements with the Stock Exchange and its terms of reference include the following:

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 Exchange. Our Company Secretary, Ms. Suman Makhija, 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. Supratim Roychowdhury, aged 48 years, is the Chief Executive Officer of our Company. He is a commerce graduate from University of Kolkata. He is member of Institute of Chartered Accountants of India and Institute of Cost & Work Accountants of India. He joined our Company on October 1, 2013. At present, he is responsible for Marketing of our products. He has over 24 years of experience in finance & accounts, project financing, raising working capital and term loans from Banks and State Financial Corporations and other liaising with Banks. Prior to joining our company he has worked with United Linear Agencies of India (P) Limited, NLC Nalco India Limited, International Travel House Limited amongst others. The gross remuneration paid to him in the Fiscal 2013 by our Company was ₹ Nil.

Mr. Paras Nath Keshri, aged 53 years, is the Manager – M&A of our Company. He has completed his B.Com and is a Chartered Accountant by profession. He joined our Company on June 1, 2013. At present, he is responsible M&A Advisory and Financial Advisory vertical of our Company. He has over 20 years of experience in the field of taxation and accounting. Prior to joining our company he was having his own practice and also working as tax advisor. He has also worked in our Pomoter Company GCM Securities Limited. The gross remuneration paid to him in the Fiscal 2013 by our Company was ₹ Nil.

Mr. Sudipto Das, aged 36 years, is the Manager – Business Development of our Company. He has completed his B.Com (Hons.) from University of Kolkata. He joined our Company on January 1, 2014. At present, he is responsible business development including mandate sourcing. He has over 14 years of experience in the field of equities market. Prior to joining our company he has worked with Blue Lagoon Vanijya Private Limited and Jackson Investments Limited. The gross remuneration paid to her in the Fiscal 2013 by our Company was Nil.

Ms. Mamta Jaskaran Baid, aged 22 years, is the Executive – Investment Banking of our Company. She has completed her B.Com from Mumbai University. She joined our Company on March 1, 2014. At present, she is involved in work related to project finance and financial modelling. The gross remuneration paid to her in the Fiscal 2013 by our Company was Nil.

Ms. Mamta J. Dagwal, aged 23 years, is the Executive – Accounts of our Company. She has completed her B.Com from Mumbai University and has completed her CACPT from ICAI. She joined our Company on March 1, 2014. At present, she is involved in work related to accounts and book keeping. The gross remuneration paid to her in the Fiscal 2013 by our Company was Nil.

Ms. Suman Makhija, aged 24 years, is the Company Secretary and Compliance officer of our Company. She is a qualified Company Secretary from the Institute of Company Secretaries of India. She has approximately 3 years of experience in company secretarial matters. Prior to joining our Company, she was working with Amines and Plasticizers Limited as a Secretarial Executive. At present, she is responsible for looking after the secretarial matters of our Company. No remuneration was paid to her in the Fiscal 2013 by our Company as she joined our Company on March 13, 2014.

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 Promoter 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 Draft 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. Supratim Roychowdhury	October 1, 2013	--	Appointment
2.	Mr. Paras Nath Keshri	June 1, 2013	--	Appointment
3.	Mr. Sudipto Das	January 1, 2014	--	Appointment
4.	Ms. Mamta Jaskaran Baid	March 1, 2014	--	Appointment
5.	Ms. Mamta J. Dagwal	March 1, 2014	--	Appointment
6.	Ms. Suman Makhija	March 13, 2014	--	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 Draft 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 62 of the Draft Prospectus.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel as on the date of the Draft 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 110 and 62 of the Draft Prospectus, we have not paid/ given any benefit to the officers of our Company, since incorporation and nor do we intend to make such payment/ give such benefit to any officer as on the date of the Draft 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 PROMOTER

The Promoter of our Company is GCM Securities Limited.

GCM Securities Limited (GCMSEC)

GCMSEC was incorporated as ‘GCM Securities Limited’ a public limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 2, 1995 bearing registration number 21-71337 of 1995 issued by the Registrar of Companies, West Bengal. The Company received the Certificate of Commencement of Business on May 10, 1995 issued by the Registrar of Companies, West Bengal. The corporate identification number is U67120WB1995PLC071337.

The registered office of GCMSEC is situated 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata - 700 001, West Bengal.

The equity shares of GCMSEC were listed on SME Platform of BSE on April 5, 2013. The company made the initial public issue of 60,90,000 equity shares of face value of ₹ 10 each for cash at a premium of ₹ 10 per equity share aggregating ₹ 1,218.00 Lacs. The issue opened for subscription on March 18, 2013 and closed for subscription on March 20, 2013. The issue was made to fund the expansion of the business of the Company.

Performance vis-à-vis objects

The IPO was made by GCMSEC to fund our long term working capital requirement which comprises margins to be placed with the Stock Exchanges. The Company has already deployed the IPO proceeds as per the object of the issue within the specified timeline.

Stock Market Data

The Equity Shares of GCMSEC are listed on the SME Platform of BSE. The details of the highest and lowest price on the BSE during the preceding six months are as follows:

Month	High (₹)	Low (₹)
Feb-14	330	330
Jan-14	324	271
Dec-13	294	271
Nov-13	341.2	205.6
Oct-13	171.35	119
Sept-13	201.6	139

The market capitalisation of GCMSEC on BSE based on the closing price of ₹ 330 per equity share on March 12, 2014 was ₹ 626 Crore.

Main Objects

The main objects of as per Memorandum of Association are as under:

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 be a member of any Stock Exchange in India and/or abroad and to carry on business as shares and stock brokers, underwriters, agents and brokers for subscribing to and for the sale and purchase of securities to and for the sale and purchase of securities, stocks, shares, debentures, debenture stock, bonds, units, commercial paper, Government and public securities or other financial instruments or obligations of anybody corporate,

authority whether Central, State or Local, Undertaking whether public or private and provisional documents relating thereto; to act as managers to the issue of any of the securities aforesaid and to promote the formation and mobilization of capital.

2.To provide financial services, advisory and counseling services and facilities of every description capable of being provided by share and stock brokers, share and stock jobbers, share dealers, investment fund managers and to arrange and sponsor public and private issues or placement of share and loan capital and to negotiate and underwrite such issues, to enter into financial and technical collaboration arrangements with individuals, firms, banks, investment trusts, merchant banks and companies / corporations including institutions whether in India or abroad, to form syndicates or consortia of managers, agents and purchase in connection with the securities.

Current Nature of Activities

GCMSEC is currently engaged in the business of equity broking, investing and trading activities. The Company became the member of National Stock Exchange and started the stock broking operation on the NSE platform after obtaining SEBI Registration as Trading Member in October 1995. The company was mainly into retail broking at the time of starting the stock broking operations. Subsequently with the introduction of the Future and option segment into the Indian capital market the company became Self Clearing Member under F & O Segment in the year 2007. In the year 2010 the company further decided to expand its area of activities and decided to take the membership of Bombay Stock Exchange. Currently, the company is member on both capital market segment and F&O segment. The company has been successful to create a niche for itself in the select HNI segment also.

The company is currently serving the corporate clients and mainly the high net worth individuals. The Company is also engaged in making investment in various companies. The Company also does proprietary investment in tradable securities.

Board of Directors

Currently, the Board of Directors of GCMSEC consists of:

Sr. No.	Name	Designation
1.	Mr. Inder Chand Baid	Chairman
2.	Mr. Manish Baid	Managing Director
3.	Mr. Samir Baid	Director
4.	Mr. Amitabh Shukla	Independent Director
5.	Mr. Ashok Bothra	Independent Director
6.	Mr. Alok Kumar Das	Independent Director

Shareholding Pattern

As on March 7, 2014, the shareholding pattern of GCMSEC is as follows

Category code	Category of shareholder	No. of shareholdings	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	6	4979900	4979700	21.22	21.22	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	1	2910100	2910100	15.32	15.32	Nil	Nil
(d)	Financial Institutions/ Banks	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
(e)	Any Other (Trusts)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(1)	7	7890000	7889800	41.54	41.54	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
(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)	7	7890000	7889800	41.54	41.54	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	29	256253	232253	1.35	1.35	Nil	Nil
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs. 1lakh.	609	3546147	3546147	18.67	18.67	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	266	5571600	5391600	29.33	29.33	Nil	Nil
(c)	Any Other							
	1. NRI	1	6000	6000	0.03	0.03	Nil	Nil
	2. Directors & Relatives	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	3. Foreign Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	4. Trust	2	18000	6000	0.09	0.09	Nil	Nil
	5. HUFs	171	1708000	1708000	8.99	8.99	Nil	Nil
	6. Clearing Members	0	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(2)	1078	11106000	10890000	58.46	58.46	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)	1078	11106000	10890000	58.46	58.46	Nil	Nil
	TOTAL (A)+(B)	1085	18996000	18779800	100.00	100.00	Nil	Nil
(C)	Shares held by Custodians and against which Depository Receipts have been issued	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(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)	1085	18996000	18779800	100.00	100.00	Nil	Nil

(a) 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	As a % of total no. of partly	As a % of total no. of shares of our
-----------------------	-----------------------	-------------------------------	--------------------------------------

	shares	paid-up Shares	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			18996000

- (b) 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	Global Capital Markets & Infrastructures Limited	29,10,100	15.31%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	15.31%
2	Mr. Manish Baid	13,64,800	7.18%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	7.18%
3	Mr. Samir Baid	13,47,500	7.09%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	7.09%

4	Mrs. Saroj baid	13,19,100	6.94%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	6.94%
5	Mr. Budhmal chager	100	0.00%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00%
6	Mr. Naresh chager	100	0.00%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00%
7	Mr. Inder Chand Baid	9,48,300	4.99%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.99%
TOTAL		78,90,000	41.54%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	41.54%

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

(c) 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: **NIL**

(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 5% of the total number of shares: **NIL**

(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category “Public” and holding more than 5% of the total number of shares of the company: **NIL**

(I)(c) STATEMENT SHOWING details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Promoter / Promoter Group / Public
1	Global Capital Market & Infrastructures Limited	2910100	15.32	Promoter/Promoter Group
2	Manish Baid	1364800	7.18	Promoter/Promoter Group
3	Samir Baid	1347500	7.09	Promoter/Promoter Group
4	Saroj Baid	1319100	6.94	Promoter/Promoter Group
5	Inder Chand Baid	948300	4.99	Promoter/Promoter Group
6	Naresh Chager	100	0.00	Promoter/Promoter Group
7	Budhmal Chager	100	0.00	Promoter/Promoter Group
8	Others	50,10,000	26.37	Public
	TOTAL	12900000	67.91	

Promoters of GCMSEC

The current promoters of GCMSEC are Mr. Inder Chand Baid, Mrs. Saroj Baid, Mr. Manish Baid, Mr. Samir Baid and Global Capital Market & Infrastructures Limited.

Audited Financial Information

(₹ In Lacs)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	2,000.00	333.00	333.00
Equity Capital	1,290.00	333.00	333.00
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	1,497.80	523.11	500.97

P&L Dr. Balance	0.00	0.00	0.00
Misc. Expenditure to the extent not written off	0.00	0.00	0.00
Total Income	129.61	72.77	29.71
Profit / (Loss) after tax	17.69	22.14	-0.25
Earnings per share (₹)	0.14	0.66	-0.01
Net Asset Value Per Share (₹)	21.61	25.71	25.04
Face Value	10.00	10.00	10.00

*The Company came out with its maiden Public Issue in March 2013 and pursuant to the same the Basis of Allotment was finalised on April 2, 2013. The post issue capital of the company is ₹ 1,899.60 Lacs.

Mechanism for redressal of investor grievance

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address and signature of mandate and power of attorney, replacement, split, consolidation, dematerialisation and re-materialisation of shares, issue of duplicate certificates etc. are handled by GCMSEC's registrar and transfer agent being Purva Sharegistry (India) Private Limited ("RTA").

Investors correspond with RTA and GCMSEC, on all share related matters. The board of directors of GCMSEC has constituted a shareholders/investors grievance committee in accordance with clause 52 of the Listing Agreement with the Stock Exchanges to specifically look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts, non receipt of dividend/ interest/ annual reports, etc.

Status of Complaints

Details of Complaints received are as follows:

Period	Pending at the Beginning	Received	Resolved	Pending at the end	Time Taken
April 2013 – March 7, 2014	Nil	15	15	Nil	N.A.

Other disclosures:

The equity shares of GCMSEC are listed on SME Platform of BSE. No action has been taken against the company by any Stock Exchange or SEBI.

GCMSEC is not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and is not under the Board for Industrial and Financial Reconstruction. Further GCMSEC is not under winding up, neither does it have a negative networth. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against GCMSEC.

We hereby confirm that the Permanent Account Number, Bank Account Number, Company Registration Number and the addresses of the Registrar of Companies where GCMSEC is registered will be submitted to BSE at the time of filing the Draft Prospectus with them.

Our Promoter 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 Promoter 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 Promoter, the relatives of our Promoter (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 Promoter in the past and no proceedings for violation of securities laws are pending against him.

INTEREST OF PROMOTER

Interest in promotion of our Company

Our Promoter are interested in the promotion of our Company in his 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 Promoter 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 Draft Prospectus.

Interest as member of our Company

Our Promoter and members of the Promoter Group jointly hold 66,12,500 Equity Shares aggregating to 53.16% 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 72 of the Draft Prospectus, our Promoter and members of the Promoter Group hold no other interest in our Company.

Interest as a creditor of our Company

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

Interest as Director of our Company

Except as stated in the “*Statement of Related Party Transactions*” beginning on page 123 of the Draft Prospectus, our Promoter / 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 Promoter 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 promoter of the issuer:

Except as stated in the “*Statement of Related Party Transactions*” beginning on page 123 of the Draft 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 Draft 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 Promoter

Save and except as disclosed in the chapters titled ‘*Our Group Entities*’ beginning on page 91 of the Draft Prospectus, there are no other ventures of our Promoter 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 123 of the section titled “*Financial Information*” beginning on page 110 of the Draft Prospectus.

Our Promoter Group:

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

Promoter:**GCM Securities Limited****i. Natural Persons who form part of our Promoter Group:**

The following natural persons who form part of our Promoter Group being the individual promoter of GCM Securities Limited:

- Mr. Inder Chand Baid
- Mrs. Saroj Baid
- Mr. Manish Baid
- Mr. Samir Baid

ii. Entities forming part of the Promoter Group**i. Companies**

- Global Capital Market & Infrastructures Limited
- GCM Commodity & Derivatives Limited
- Cadillac Vanijya Pvt. Ltd.
- Chello Commotrade Pvt. Ltd.
- Silver Pearl Commercial Pvt. Ltd.

ii. Hindu Undivided Family:

Sr. No.	Name of the HUFs	Karta
1.	I.C. Baid & Sons HUF	Inder Chand Baid
2.	Manish Baid & Sons HUF	Manish Baid
3.	Samir Baid & Sons HUF	Samir Baid

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 Draft Prospectus under the heading "shareholding of the promoter group": Nil****Relationship of Promoter with our Directors**

Mr. Manish Baid	-	Director of GCM Securities Limited
Mr. Samir Baid	-	Director of GCM Securities Limited

Changes in our Promoter

There has been no change in the Promoter our Company.

OUR GROUP ENTITIES

As on the date of the Draft Prospectus, following entities that are promoted by our Promoter, GCM Securities Limited 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 Draft Prospectus.

1. Group Companies

A. Global Capital Market & Infrastructures Limited (GCMIL)

GCMIL was incorporated as Baid & Company Private Limited under the Companies Act, 1956 vide the certificate of incorporation dated February 20, 1989 issued by the Registrar of Companies, West Bengal, Kolkata. The Company was converted into a public limited company and the name was changed to Baid & Company Limited vide Certificate of Incorporation dated June 13, 1994. The name of the Company was changed to Global Capital Markets Limited vide Certificate of Incorporation dated June 28, 1994. The name of the Company was further changed to Global Capital Market & Infrastructures Limited vide Certificate of Incorporation dated July 15, 2010 issued by the Registrar of Companies, West Bengal, Kolkata. The Corporate Identification Number of the Company is L51109WB1989PLC046292. Currently, the equity shares of GCMIL are listed on BSE and CSE

The registered office of GCMIL is situated at Sir R. N. M. House, 3B, Lal Bazar (5th Floor, Block-2) Kolkata - 700001.

The equity shares of GCMIL were listed in the years 1995. The company made the initial public issue of 40,00,000 equity shares of ₹ 10 each for cash at par aggregating ₹ 400.00 Lacs in March 1995. The issue was made to fund the expansion of the business of the Company.

Stock Market Data

The Equity Shares of GCMIL are listed on the BSE and the CSE. The details of the highest and lowest price on the BSE during the preceding six months are as follows:

Month	High (₹)	Low (₹)
Feb-14	49.8	35.2
Jan-14	135	37.3
Dec-13	169	132.5
Nov-13	198	160
Oct-13	190	150
Sept-13	158	123.05

The market capitalisation of GCMIL on BSE based on the closing price of ₹ 53.75 per equity share on March 12, 2014 was ₹ 133 Crore. There is no trading in the Equity Shares of GCMIL on CSE.

Main Objects

The main objects of as per Memorandum of Association are as under:

1. To carry on any business of buyers, sellers, suppliers, traders, merchants, importers, exporters, indentors, brokers, agents, assemblers, packers, stockist, distributors and dealers of and in hardware & stores, spare and accessories, commercial natural-and man-made fibres textiles of all kinds, all types of yarn, jute and jute products, chemicals, building materials, vehicle parts, automobile, parts, machine parts, industrial components, plastics and electronic parts & devices, bullion, precious stone works of art, antique, curious jewellery and ornaments and in all kinds of machinery and accessories.

2. To carry, acquire by purchase, lease, exchange, hire or otherwise estates, lands, hereditaments, buildings, workshops, office accommodations, factories, easements, forests, orchards, gardens, farms, or other Interests In real estate & to sell, let, lease, Sub- lease or otherwise dispose of and to grant rights over any real property belonging to the Company, To construct, let out, furnish and carry on all or arty of the functions of proprietors of flats, masionettes, dewelling houses, shops, affairs, clubs and for these purposes prepare building sites, and to construct, reconstruct repair, pull down, alter, improve; decorate, furnish and maintain flats, masionettes, dewelling houses, shops, offices, buildings, works and sanitary conveniences of all kinds and to set apart land for pleasure gardens and recreations ground or otherwise improve the land or any part thereof.
3. To construct thereon buildings flats, rooms, houses, and to manage or let , the same or any part thereof for any period whether belonging to the Company or not, and at such rent and on such terms and conditions as, the Company shall think fit, proper and convenient, and to collect rents and income, 'drainage,' water and electric charges, and charges for the supply to tenants and occupiers and others light, heat and drainage and charges for the refreshments, attendants, messengers and for equipping waiting-rooms, reading rooms, meeting rooms; 'providing thereon lavatories, bathhouses, laundry, conveniences, to install electric conveniences, garages, recreation facilities and other amenities, from time to time, as and when the Company shall consider, desirable, or to arrange such management, letting and advantages as aforesaid by employing any persons, firms or company to carry out and furnish the same on such terms as the Company may think fit, proper and expedient.
4. To carry on the business of investment company and to invest In and acquire and hold or otherwise deal In shares, stocks, debentures, bonds, obligations and securities Issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, stocks, bonds obligations and securities issued or guaranteed by any Government, State dominion, Sovereign ruler, public body or authority, municipal - local or otherwise, whether In India or elsewhere.
5. Subject to the provision of the Act and direction Issued by Reserve Bank of India, to carry on any business of financiers, producers and distributors and exhibitors, money lenders, sahuikars, trustees, real estate agents, builders, underwriters, merchant bankers, guarantors, hire purchase dealers, investors, promoters and brokers; and dealers of and In shares stocks, debentures, securities, bonds, 'Obligations, claims, licenses and charges, land, building, houses, easements. negotiable instruments, decrees, concerns, warehouses, property, and rights of all kinds, agricultural land, farms gardens lates, showroom, office, residential units, ships and godowns, business of insurance agents, trust company safe deposit company and such other business and to receive on deposit or borrow and raise money provided that the company shall not carry on the business of banking as defined under the Banking Companies Act, 1949.
6. To act as portfolio and asset managers and/or Consultants, Registrars, Issue, Managers, sub-under writers to undertake the work of factoring, discounting and rediscounting and to arrange and or co-ordinate document and negotiation of bills and other c9m.merclal papers, foreign exchange dealers, forex advisory services and foreign money exchanging business and maintaining branches aboard as per rules of Reserve Bank of India and as permitted under the Foreign Exchange Regulation Act, 1973.
7. To carry on the business of generating, selling, transferring distributing, supplying either directly or through others, electricity for the use In Industries, domestic or any other purpose and also feed to the grids of electricity boards or other-power grids using coal, lignite, petroleum products or any other substance, wind' energy, solar energy, wave energy tidal energy, hydro energy, 'unclear energy or any other form of energy.
8. To provide all types of engineering facilities including construction, technical Constancy and architectural services related to the use, application of all kinds of power energy operation and maintenance of all kinds of power generation, transmission and distribution and its related products.
9. To own, establish, create, maintain, provide, build, operate ports, roads, highways, railways, bridges express ways, fly-over, telecommunication facilities including satellite communication, cellular telephones, paging telephones, networks, LANS WANS and other means of communication.

Current Nature of Activities

GCMIL is a RBI registered non banking financial company having Reg. No. B-05.02114 dated September 24, 2010. GCMIL is presently engaged in the business of investment in shares and securities and of providing loans and advances.

Board of Directors

Currently, the Board of Directors of GCMIL consists of:

Sr. No.	Name	Designation
1.	Mr. Inder Chand Baid	Director
2.	Mr. Laxmi Narayan Sharma	Director
3.	Mr. Alok Kumar Das	Independent Director
4.	Mr. Amitabh Shukla	Independent Director

Shareholding Pattern

As on March 7, 2014, the shareholding pattern of GCMIL is as follows

(I) (a) STATEMENT SHOWING SHAREHOLDING PATTERN

Category Code	Category of Shareholder	No of Share holders	Total Number 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 percent age of (A+B)1	As a percent age of (A+B+C)	Number of shares	As a percenta ge
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/ (IV)*100
(A)	Promoter and Promoter Group							
(1)	INDIAN							
(a)	Indian Individuals/ Hindu Undivided Family	2	1133477	1133477	4.553	4.553	0	0.000
(b)	Central Government/ State Government(s)	0	0	0	0.000	0.000	0	
(C)	Body Corporates	2	111900	100000	0.450	0.450	0	
(d)	Financial Institutions / Banks	0	0	0	0.000	0.000	0	
(e)	Any Other	0	0	0	0.000	0.000	0	
	Sub Total (A) (1)	4	1245377	1233477	5.003	5.003	0	0.000
(2)	Foreign							
a	Individuals (Non Resident Individuals / Foreign Individuals)	0	0	0	0.000	0.000	0	
b	Bodies Corporate	0	0	0	0.000	0.000	0	
c	Institutions	0	0	0			0	
d	Qualified Foreign Investors							
e	Any Other	0	0	0		0.000	0	
	Sub Total (A) (2)	0	0	0	0.000	0.000	0	0.000
	Total Shareholding of Promoter and Promoter Group A= (A)(1) + (A)(2)	4	1245377	1233477	5.003	5.003	0	0.000
(B)	Public Shareholding							
(1)	Institutions						N.A	N.A
a	Mutual Funds & UTI	2	94160	0	0.378	0.378		

b	Financial Institutions / Banks	0	0	0	0.000	0.000		
c	Central Government /State Government(s).	0	0	0	0.000	0.000		
d	Venture Capital Funds	0	0	0	0.000	0.000		
e	Insurance Companies	0	0	0	0.000	0.000		
f	Foreign Institutional Investors (SEBI-registered)	0	0	0	0.000	0.000		
g	Foreign Venture Capital Investors	0	0	0	0.000	0.000		
h	Qualified Foreign Investors							
i	Others				0.000	0.000		
Sub Total (B) (I)		2	94160	0	0.378	0.378	0	0.000
(2)	Non Institutions						N.A	N.A
a	Bodies Corporate	310	8033660	7999660	32.272	32.272		
b	i) Individuals shareholders holding nominal sharecapital up to Rs. 1 Lakh	12546	7263909	6287792	29.180	29.180		
	ii) Individuals shareholders holding nominal sharecapital excess of Rs. 1 Lakh	359	8256394	8106394	33.167	33.167		
c	Qualified Foreign Investors							
d	Any Others				0.000	0.000		
Sub Total (B) (2)		13215	23553963	22393846	94.619	94.619	0	0.000
Total Public Shareholding B= (B)(1) + (B)(2)		13217	23648123	22393846	94.997	94.997	0	0.000
Total Public Shareholding (A) + (B)		13221	24893500	23627323	100.000	100.000	0	0.000
(C)	Shares held by Custodians and against which Depository Receipts have been issued					0.000		
Grand Total (A) + (B) + (C)		13221	24893500	23627323	100.000	100.000	0	0.000

(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

SRL No	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
		Number	As a % of grand total (A)+(B)+(C)	Number	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III) * 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	INDER CHAND BAID	1081477	4.344%		0.000%	0.000%		0.000%		0.000%	4.344%
2	MANISH BAID	52000	0.209%		0.000%	0.000%		0.000%		0.000%	0.209%

3	GCM SECURITIES LTD	111900	0.450%		0.000%	0.000%		0.000%		0.000%	0.450%
	Total:	1245377	5.003 %	0	0.000%	0.000%	0	0.000%	0	0.000%	5.003%

(I) (c) (i) Statement showing 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

SRL No	Name Of the ShareHolder	Details of Shares held		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	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	SAIKAT TRADELINK PVT LTD	606037	2.43%		0.00%		0.00%	2.43%
2	KOHINOOR VINCOME PVT LTD	543315	2.18%		0.00%		0.00%	2.18%
3	SWAPANPURI TRADELINK PVT LTD	507505	2.03%		0.00%		0.00%	2.03%
4	JOYGURU COMMOTRADE PVT LTD	401980	1.61%		0.00%		0.00%	1.61%
5	ROCKERS TRADELINK PVT LTD	416737	1.67%		0.00%		0.00%	1.67%
6	SPRINT VANIJYA PVT LTD	308579	1.24%		0.00%		0.00%	1.24%
7	SHREEHARI VINIMAY PVT LTD	258795	1.04%		0.00%		0.00%	1.04%
8	ANKUSKA VANIJYA PVT LTD	329320	1.32%		0.00%		0.00%	1.32%
9	LARICA TRADING PVT LTD	259012	1.04%		0.00%		0.00%	1.04%
	Total:	3631280	14.58%		0.00%		0.00%	14.58%

(I) (c) (ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category “Public” and holding more than 5% of the total number of shares of the company

NIL

(I) (c) STATEMENT SHOWING details of locked-in shares

NIL

Promoters of GCMIL

The current promoters of GCMIL are Mr. Inder Chand Baid and Mr. Manish Baid.

Audited Financial Information

(₹ In Lacs)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	3,000.00	3,000.00	3,000.00
Equity Capital	2,489.35	2,489.35	2,489.35
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	1,594.34	1,564.71	1,472.62
P&L Dr. Balance	0.00	0.00	0.00

Misc. Expenditure to the extent not written off	0.00	0.00	0.00
Total Income	2,046.45	1,920.26	1,340.01
Profit / (Loss) after tax	33.36	97.62	70.03
Earnings per share (₹)	0.13	0.04	0.03
Net Asset Value Per Share (₹)	16.40	1.63	1.59
Face Value	10.00	1.00	1.00

Mechanism for redressal of investor grievance

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address and signature of mandate and power of attorney, replacement, split, consolidation, dematerialisation and re-materialisation of shares, issue of duplicate certificates etc. are handled by GCMIL's registrar and transfer agent being R & D Infotech Pvt. Ltd. ("RTA").

Investors correspond with RTA and GCMIL, on all share related matters. The board of directors of GCMIL has constituted a shareholders/investors grievance committee in accordance with clause 49 of the Listing Agreement with the Stock Exchanges to specifically look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts, non receipt of dividend/ interest/ annual reports, etc.

Status of Complaints

Details of Complaints received for the period April 2010 to February 2014 are as follows:

Period	Pending at the Beginning	Received	Resolved	Pending at the end	Time Taken
April 2013 – February 2014	Nil	17	17	Nil	5-7 Days
April 2012 – March 2013	Nil	28	28	Nil	5-7 Days
April 2011 – March 2012	Nil	36	36	Nil	5-7 Days
April 2010 – March 2011	Nil	39	39	Nil	5-7 Days

Other disclosures:

The equity shares of GCMIL are listed on BSE and CSE. No action has been taken against the company by any Stock Exchange or SEBI. However the trading in equity shares of GCMIL was suspended from October 2005 and the suspension was revoked and trading was commenced again w.e.f. July 16, 2007.

GCMIL has also changed its name from Global Capital Market Limited to Global Capital Market & Infrastructures Limited by passing a special resolution of shareholders at EGM held on June 21, 2010. However, the company has not complied with clause 32 of the listing agreement, which inter alia, requires that at least 50% to total revenue in the preceding 1 year period should have been from new activity suggested. However this condition has not been complied by GCMIL. Further, BSE has not effected the change in name of the company due to the aforesaid non-compliance.

GCMIL is not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and is not under the Board for Industrial and Financial Reconstruction. Further GCMIL is not under winding up, neither does it have a negative net – worth.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against GCMIL.

B. GCM Commodity & Derivatives Limited (GCMCOM)

The Company was incorporated as ‘GCM Commodity & Derivatives Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated April 26, 2005 issued by the Registrar of Companies, West Bengal. Subsequently, the Company was converted into a public limited company and the name was changed to ‘GCM Commodity & Derivatives Limited’ pursuant to a Fresh Certificate of Incorporation dated June 14, 2013 issued by the Registrar of Companies, West Bengal. Our corporate identification number is U74999WB2005PLC102819. Currently, the equity shares of GCMCOM are listed on BSE and CSE.

The registered office of GCMCOM is situated at 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata - 700 001, West Bengal.

The equity shares of GCMCOM were listed in August 2013 on the SME Platform of BSE. The company made the initial public issue of 35,10,000 equity shares of ₹ 10 each for cash at a premium of ₹ 10 per equity share aggregating ₹ 702.00 Lacs in August 2013. The issue was made to fund the long term working capital requirements of the Company.

Performance vis-à-vis objects

The IPO was made by GCMCOM to fund the long term working capital requirements. The Company has already deployed the IPO proceeds as per the object of the issue and subsequent amendment thereto as per the approval of the members received by the company.

Stock Market Data

The Equity Shares of GCMCOM are listed on the SME Platform of BSE.

The details of the highest and lowest price on the BSE during the preceding six months are as follows:

Month	High (₹)	Low (₹)
Feb-14	13.2	7.9
Jan-14	11.5	11.5
Dec-13	13.9	12
Nov-13	12	10.7
Oct-13	13.5	11
Sept-13	14.6	10.15

The market capitalisation of GCMCOM on BSE based on the closing price of ₹ 10.50 per equity share on March 12, 2014 was ₹ 7 Crore.

Main Objects

The main objects of as per Memorandum of Association are as under:

1. To carry on the business of trading in agricultural products, metals including precious metals, precious stones, diamonds, petroleum and energy products and all other commodities and securities, in spot markets and in futures and all kinds of derivatives of all the above commodities and securities.
2. To carry on business as brokers, sub brokers, market makers, arbitrageurs, investors and/or hedgers in agricultural products, metals including precious metals, precious stones, diamonds, petroleum and energy products and all other commodities and securities, in spot markets and in futures and all kinds of derivatives of all the above commodities and securities permitted under the laws of India.
3. To become members and participate in trading, settlement and other activities of commodity exchange/s (including national, multi-commodity exchange/s) facilitating, for itself or for clients, traders and

clearing/settlement of trades in spots, in futures and in derivatives of all the above commodities permitted under the laws of India.

Current Nature of Activities

The Company is engaged in investment and trading in Gold, Silver and other precious metals; and is also engaged in buying and selling of various Agri as well as Non - Agri Commodities through Local Mandies and Markets and also on Exchanges either for arbitrage and/or investment. The company is also engaged in the business of investment in shares and securities and of providing loans and advances.

Board of Directors

Currently, the Board of Directors of GCMCOM consists of:

Sr. No.	Name	Designation
1.	Mr. Samir Baid	Managing Director
2.	Mr. Inder Chand Baid	Director
3.	Mr. Manish Baid	Director
4.	Mr. Alok Kumar Das	Independent Director
5.	Mr. Amitabh Shukla	Independent Director
6.	Mr. Ranjit Kumar Modi	Independent Director

Shareholding Pattern

As on March 7, 2014, the shareholding pattern of GCMCOM is as follows

(I) (a) STATEMENT SHOWING SHAREHOLDING PATTERN

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	4	670000	670000	9.02	9.02	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	3	3247000	3247000	43.72	43.72	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)	7	3917000	3917000	52.74	52.74	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
(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)	7	3917000	3917000	52.74	52.74	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	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
	Government(s)							
(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	26	1230015	1230015	16.56	16.56	Nil	Nil
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs. 1lakh.	244	1463985	1463985	19.71	19.71	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	33	540000	540000	7.27	7.27	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
	5. HUFs	44	270000	270000	3.64	3.64	Nil	Nil
	6. Clearing Members	1	6000	6000	0.08	0.08	Nil	Nil
	Sub-Total (B)(2)	348	3510000	3510000	47.26	47.26	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)	348	3510000	3510000	47.26	47.26	Nil	Nil
	TOTAL (A)+(B)	355	7427000	7427000	100.00	100.00	Nil	Nil
(C)	Shares held by Custodians and against which Depository Receipts have been issued	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(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)	355	7427000	7427000	100.00	100.00	Nil	Nil

(a) 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	NIL	-	-

Group			
Held by public	NIL	-	-
Total	NIL	-	-
Total paid-up capital of our Company, assuming full conversion of warrants and convertible securities			7427000

(b) 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.	GCM Securities Limited	2625500	35.35%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	35.35%
2.	Global Capital Markets & Infrastructures Limited	600000	8.07%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	8.07%
3.	Mr. Inder Chand Baid	195000	2.62%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.62%
4.	Mrs. Saroj baid	195000	2.62%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.62%
5.	Mr. Manish Baid	140000	1.88%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.88%
6.	Mr. Samir Baid	140000	1.88%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.88%
7.	M/s. Cadillac Vanija Pvt. Ltd.	21500	0.28%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.28%
TOTAL		3917000	52.74%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	52.74%

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

(c) 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 underlying shares assuming full conversion of warrants)
---------	-------------------------	------------------------	-----------------------	---------------------	-----------------------------------	---

		No. of Shares held	As a % of grand total (A) + (B) + (C)	No .	As a percentage	As a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	and convertible securities) as a % of diluted share capital
(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III)* 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	Petunia Trades Private Limited	408000	5.49%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	5.49%
2	Voltaire Leasing & Finance Ltd	318000	4.28%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.28%
3	Sidhivinayak Broking Limited	156000	2.10%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2.10%
	Total	882000	11.87 %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	11.87%

* 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 5% 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 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 (A) + (B) + (C)	No .	As a percentage	As a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III)* 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	Petunia Trades Private Limited	408000	5.49%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	5.49%
	TOTAL	408000	5.49%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	5.49%

(I)(c) STATEMENT SHOWING details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Promoter / Promoter Group / Public
1	Gcm Securities Limited	2625500	35.35	Promoter/Promoter Group
2	Global Capital Market & Infrastructures Limited	600000	8.08	Promoter/Promoter Group
3	Inder Chand Baid	195000	2.63	Promoter/Promoter Group
4	Saroj Baid	195000	2.63	Promoter/Promoter Group
5	Manish Baid	140000	1.89	Promoter/Promoter Group
6	Samir Baid	140000	1.89	Promoter/Promoter Group
7	Cadillac Vanijya Pvt. Ltd.	21500	0.29	Promoter/Promoter Group
			0.00	
TOTAL		3917000	52.74	

Promoters of GCMCOM

The current promoters of GCMCOM are Mr. Inder Chand Baid and Mr. Manish Baid.

Audited Financial Information

(₹ In Lacs)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	400.00	129.15	129.15
Equity Capital	391.70	129.15	129.15
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	549.68	274.33	274.86
P&L Dr. Balance	0.00	0.00	0.00
Misc. Expenditure to the extent not written off	0.00	0.96	1.07
Total Income	28.60	13.80	13.15
Profit / (Loss) after tax	12.80	-0.54	3.45
Earnings per share (₹)	0.32	-0.04	0.26
Net Asset Value Per Share (₹)	24.03	31.17	31.20
Face Value	10.00	10.00	10.00

Mechanism for redressal of investor grievance

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address and signature of mandate and power of attorney, replacement, split, consolidation, dematerialisation and re-materialisation of shares, issue of duplicate certificates etc. are handled by GCMCOM's registrar and transfer agent being Purva Sharegistry (India) Private Limited ("RTA").

Investors correspond with RTA and GCMCOM, on all share related matters. The board of directors of GCMCOM has constituted a shareholders/investors grievance committee in accordance with clause 52 of the

Listing Agreement with the Stock Exchanges to specifically look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts, non receipt of dividend/ interest/ annual reports, etc.

Status of Complaints

Period	Pending at the Beginning	Received	Resolved	Pending at the end	Time Taken
August 2013 – March 7, 2014	Nil	Nil	Nil	Nil	N.A.

Other disclosures:

The equity shares of GCMCOM are listed on BSE. No action has been taken against the company by any Stock Exchange or SEBI.

GCMCOM is not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and is not under the Board for Industrial and Financial Reconstruction. Further GCMCOM is not under winding up, neither does it have a negative net – worth.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against GCMCOM.

C. Cadillac Vanijya Private Limited (CVPL)**Corporate Information**

CVPL was incorporated on March 13, 2010 as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, West Bengal, Kolkata. The CIN of CVPL is U52100WB2010PTC143529. The registered office of CVPL is situated at Sir R. N. M. House, 3B, Lal Bazar (5th Floor, Block-2) Kolkata - 700 001. CVPL is engaged in financial activities.

Capital Structure and Shareholding Pattern

The authorized share capital of CVPL is ₹ 15.00 Lacs divided into 1,50,000 equity shares of ₹ 10 each and paid-up share capital of CVPL is ₹ 10.60 Lacs divided into 1,06,000 equity shares of ₹ 10 each. The shareholding pattern of CVPL is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1.	Inder Chand Baid	24,000	22.64
2.	Manish Baid	24,000	22.64
3.	Saroj Baid	24,000	22.64
4.	Samir Baid	24,000	22.64
5.	Amallesh Sadhu	5,000	4.72
6.	Nirmal Kumar Poddar	5,000	4.72
Total		1,06,000	100.00

Board of Directors

Mr. Inder Chand Baid, Mr. Manish Baid & Mr. Samir Baid

Financial Information

(₹ in lacs, except per share data)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	15.00	15.00	15.00
Equity Capital	10.60	10.60	10.60
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	223.58	230.66	230.56
P&L Dr. Balance	0.00	0.00	0.00
Misc. Expenditure to the extent not written off	0.00	0.00	0.15
Total Income	2.10	2.96	1.91
Profit / (Loss) after tax	(7.07)	0.09	0.16
Earnings per share (₹)	(6.67)	0.08	0.15
Net Asset Value Per Share (₹)	220.92	227.60	227.37
Face Value	10.00	10.00	10.00

D. Chello Commtrade Private Limited (CCPL)**Corporate Information**

CCPL was incorporated on May 14, 2010 as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, Maharashtra, Mumbai. The Company was converted into a public limited company and the name was changed to Chello Commtrade Limited pursuant to a Fresh Certificate of Incorporation dated November 30, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. The CIN of CCPL is U74900MH2010PLC203240. The registered office of CCPL is situated at 805, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai-400021. CCPL is engaged in financial activities.

Capital Structure and Shareholding Pattern

The authorized share capital of CCPL is ₹ 81.00 Lacs divided into 8,10,000 equity shares of ₹ 10 each and paid-up share capital of CCPL is ₹ 80.02 Lacs divided into 800200 equity shares of ₹ 10 each. The shareholding pattern of CCPL is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1	Inder Chand Baid	200050	25.00
2	Saroj Baid	200000	24.99
3	Manish Baid	200000	24.99
4	Samir Baid	200000	24.99
5	Amrita Baid	50	0.01
6	Shilpa Baid	50	0.01
7	Naresh Chajjar	50	0.01
Total		8,00,200	100.00

Board of Directors

Mr. Inder Chand Baid, Mr. Manish Baid & Mr. Samir Baid

Financial Information

(₹ in lacs, except per share data)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	81.00	81.00	38.00
Equity Capital	80.02	80.02	36.40
Reserves and Surplus	316.31	316.08	141.66
Misc. Expenditure to the extent not written off	0.00	0.00	0.18
Total Income	0.69	0.68	0.58
Profit / (Loss) after tax	0.11	0.07	0.06
Earnings per share (₹)	0.01	0.01	0.02
Net Asset Value Per Share (₹)	49.53	49.50	48.87
Face Value	10.00	10.00	10.00

E. Silver Pearl Commercial Private Limited (SCPL)**Corporate Information**

SCPL was incorporated on January 31, 2011 as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, West Bengal, Kolkata. The Company was converted into a public limited company and the name was changed to Silver Pearl Commercial Limited pursuant to a Fresh Certificate of Incorporation dated November 6, 2013 issued by the Registrar of Companies, West Bengal, Kolkata. Subsequently, the name of the Company was changed to Silver Pearl Hospitality & Luxury Spaces Limited pursuant to a Fresh Certificate of Incorporation dated January 3, 2014 issued by the Registrar of Companies, West Bengal, Kolkata. The CIN of SCPL is U52190WB2011PLC158193. The registered office of SCPL is situated at Sir R. N. M. House, 3B, Lal Bazar (5th Floor, Block-2) Kolkata - 700 001. SCPL is engaged in hospitality business.

Capital Structure and Shareholding Pattern

The authorized share capital of SCPL is ₹ 100.00 Lacs divided into 10,00,000 equity shares of ₹ 10 each and paid-up share capital of SCPL is ₹ 38.00 Lacs divided into 3,80,000 equity shares of ₹ 10 each. The shareholding pattern of SCPL is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1	Inder Chand Baid	94000	24.74
2	Saroj Baid	94000	24.74
3	Manish Baid	94000	24.74
4	Samir Baid	94000	24.74
5	Amrita Baid	1000	0.26
6	Shilpa Baid	2000	0.53
7	Naresh Chajjar	1000	0.26
Total		3,80,000	100.00

Board of Directors

Mr. Inder Chand Baid, Mrs. Saroj Baid, Mr. Manish Baid, Mr. Alok Kumar Das & Mr. Raj Kumar Mishra

Financial Information

(₹ in lacs, except per share data)

Particulars	For the period ended March 31		
	2013	2012	2011
Authorised Capital	21.00	21.00	5.00
Equity Capital	19.00	19.00	5.00
Reserves and Surplus	71.99	71.97	15.92
P&L Dr. Balance	0.00	0.00	0.00
Misc. Expenditure to the extent not written off	0.00	0.00	0.20
Total Income	0.63	0.33	0.00
Profit / (Loss) after tax	0.02	0.05	-0.08
Earnings per share (₹)	0.01	0.03	-0.16
Net Asset Value Per Share (₹)	47.89	47.88	41.44
Face Value	10.00	10.00	10.00

2. HUFs

I C Baid & Sons HUF

Mr. Inder Chand Baid is the karta of I C Baid & Sons HUF.

Financial Information

Particulars	For the period ended March 31		
	2013	2012	2011
Total Income	3.08	2.61	5.14
Profit	3.07	2.60	5.14
Capital A/c	23.25	20.41	17.97

(₹ in Lacs)

Manish Baid & Sons HUF

Mr. Manish Baid is the karta of Manish Baid & Sons HUF.

Financial Information

Particulars	For the period ended March 31		
	2013	2012	2011
Total Income	3.13	2.43	4.75
Profit	3.13	2.43	4.75
Capital A/c	16.69	13.88	11.71

(₹ in Lacs)

Samir Baid & Sons HUF

Mr. Samir Baid is the karta of Samir Baid & Sons HUF.

Financial Information

Particulars	For the period ended March 31		
	2013	2012	2011
Total Income	3.18	2.63	4.81
Profit	3.18	2.63	4.81
Capital A/c	17.06	14.20	11.79

(₹ in Lacs)

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

Our Promoters were the promoters of following companies:

- Beau Mont Tradecom Private Limited
- Viacom Trade & Commerce Private Limited

The above Companies were promoted by our Promoters in June 2011, to acquire certain properties. However since the property deals could not materialise, our Promoters sold these Companies in March 2012.

Negative Net Worth

None of our Group Entities have negative net worth as on the date of the Draft 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 123 of the section titled “Financial Information” beginning on page 110 of the Draft 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 123 of the section titled “*Financial Information*” beginning on page 110 of the Draft Prospectus and under the paragraph titled ‘*Other Agreements*’ under the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page 69 of the Draft Prospectus, none of our Group Entities 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 123 of the section titled “*Financial Information*” beginning on page 110 of the Draft Prospectus, there have been no sales and purchases between us and our Group Entities, 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 Draft Prospectus. Our Promoter Company, GCM Securities Limited vide its letter dated June 1, 2013 has allowed our Company to use the office located at 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021 as our registered office on rent free basis.

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 Promoter and our Group Entities, please refer to the chapter titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 129 of the Draft 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 123 of the section titled “*Financial Information*” beginning on page 110 of the Draft Prospectus, there has been no payment of benefits to our Group Entities during the two years prior to the filing of the Draft 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
GCM Capital Advisors Limited
505, Raheja Centre,
214, Free Press Journal Marg,
Nariman Point, Mumbai – 400021

Subject: Financial Information of GCM Capital Advisors Limited

Dear Sir,

We have examined the financial information of GCM Capital Advisors 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 GCM Capital Advisors Limited, we, M/s. Maheshwari & 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 of equity shares of ₹ 10 each, at the issue price of ₹ 20 per Equity Share (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 for the period ended February 28, 2014 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 period ended February 28, 2014 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 period ended February 28, 2014 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 the period ended February 28, 2014 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 Maheshwari & Co.

Chartered Accountants
FRN: 105834W

Sd/-
(K.K. Maloo)
Partner
Membership No: 075872
Date: March 14, 2014

Annexure - I

Statement of Assets and Liabilities (As Restated)

(₹ in Lacs)

Particulars	28.02.2014
Equity & Liabilities	
Share capital	
-Equity Share Capital	1,244.00
-Preference Share Capital	0.00
Total (a)	1,244.00
Reserves and surplus	
General Reserve	0.00
Share Premium	1,238.00
P&L Account	48.48
Less: Revaluation Reserve	0.00
Total (b)	1,286.48
Total Equity & Liabilities (a+b)	2,530.48
Non-Current Liabilities	
Long Term Borrowings	0.00
Long term provisions	0.00
Deferred Tax Liability	0.00
Total Non-Current Liabilities	0.00
Current Liabilities	
Short Term Borrowings	0.00
Trade Payables	183.50
Other Current Liabilities	7.06
Short Term Provisions	14.12
Total Current Liabilities	204.68
Total Equity & Liability	2,735.16
Non-Current Assets	
a) Fixed Assets	
Tangible Assets	11.43
Capital Work -in-Progress	0.00
Total Fixed Assets (a)	11.43
b) Non-Current Investments	0.00
c) Long Term Loans and Advances	0.00
d) Deferred Tax Asset	2.29
e) Other Non-Current Assets	0.00
Total Non-Current Assets	13.72
Current assets	
Current Investments	0.00
Inventories	0.00
Trade Receivables	780.92
Cash and Cash Equivalents balances	28.46
Short Term Loans and advances	1,912.06
Other Current Assets	0.00
Total Current Assets	2,721.44
Total Assets	2,735.16

Annexure - II

Summary Statement of Profit and Loss, As Restated

(₹ in Lacs)

Particulars	28.02.2014
Income	
Operating Income	127.06
Other Income	0.67
Total Income	127.73
Expenditure	
Administrative Expenses	32.21
Employee Benefit Expenses	24.11
Other Expenses	0.00
Total (B)	56.32
Profit Before Interest, Depreciation and Tax	71.41
Depreciation	1.01
Profit Before Interest and Tax	70.40
Financial Charges	0.24
Profit before Taxation	70.16
Provision for Taxation	23.97
Provision for Deferred Tax	-2.29
Total	21.68
Profit After Tax but Before Extra-ordinary Items	48.48
Prior Period Items	0.00
Net Profit after adjustments	48.48

Annexure - III

Summary Statement of Cash Flow:

(₹ in Lacs)	
PARTICULARS	28.02.2014
A. CASH FLOW FROM OPERATING ACTIVITIES	
Profit Before Tax	70.16
Adjusted for :	
a. Depreciation	1.01
b. Financial charges	0.24
c. Other Adjustments	0.00
d. Dividend Income	0.00
e. Profit on sale of long term investments	0.00
Operating profit before working capital changes	71.41
Adjusted for :	
a. Decrease /(Increase) in Current Investments	0.00
b. Decrease /(Increase) in Inventories	0.00
c. Decrease / (Increase) in trade receivable	-780.92
d. (Increase) / Decrease in short term loans and advances	-1,912.06
e. (Increase) / Decrease in Other Current Assets	0.00
f. (Increase) / Decrease in Long term loans and advances	0.00
g. Increase / (Decrease) in Trade Payables	183.50
h. Increase / (Decrease) in short term provisions	7.06
i. Increase / (Decrease) in other current liabilities	14.12
j. Increase / (Decrease) in Long Term Provisions	0.00
Cash generated from operations	-2,416.89
Income Tax Paid (net of refunds)	23.97
NET CASH GENERATED FROM OPERATION	-2,440.86
B. CASH FLOW FROM INVESTING ACTIVITIES	
a. Purchase of Fixed Assets	-12.44
b. Sale of Fixed Assets	0.00
c. (Purchase) / Sale of non-current investment	0.00
d. (Increase) in Non-Current Assets	0.00
e. Dividend Income	
Net cash (used) in investing activities	-12.44
C. CASH FLOW FROM FINANCING ACTIVITIES	
a. Finance charges Paid	-0.24
b. Proceeds from share issued	2,482.00
c. (Repayments) / proceeds of long term borrowings	0.00
d. (Repayments) / proceeds of short term borrowings	0.00
Net cash generated/(used) in financing activities	2,481.76
Net Increase / (Decrease) in cash and cash equivalents	28.46
Cash and cash equivalents at the beginning of the year	0.00
Cash and cash equivalents at the end of the year	28.46

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'.

Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

Annexure - IV

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.

4. 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.

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

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

7. 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
	28.02.2014
Interest Received	0.58
Others	0.09
Total	0.67

Annexure - VII

Statement of Accounting and Other Ratios

(₹ in Lacs)

Particulars	28.02.2014
Net Profit as restated (₹ in Lacs)	48.48
Net Worth (₹ in Lacs)	2,530.48
Return on Net worth (%)	1.92%
Equity Share at the end of year (in Nos.)	1,24,40,000
(Face Value ₹ 10)	10.00
Weighted No of Equity Shares	79,97,855
Basic & Diluted Earnings per Equity Share	0.61
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	20.34

Note:-

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Annexure - VIII

Statement of Capitalization:

Particulars	Pre Issue	(₹ In Lacs)
	As at 28.02.2014	Post Issue*
Debt :		
Short term debt	0.00	0.00
Long term debt	0.00	0.00
Total Debt	0.00	0.00
Shareholders' Funds		
Equity Share Capital	1,244.00	1,694.00
Reserves and Surplus	1,286.48	1,736.48
Less: Revaluation Reserves	0.00	0.00
Less: Misc. Expenditure	0.00	0.00
Total Shareholders' Funds	2,530.48	3,430.48
Long Term Debt/ Shareholders' Funds	0.00	0.00
Total Debt / Shareholders Fund	0.00	0.00

* Based on assumption that issue will be fully subscribed.

Annexure - IX**STATEMENT OF TAX SHELTERS**

(₹ In Lacs)

Particulars	As At
	28.02.2014
Profit Before Tax as per books of accounts	70.16
Tax rate	
-- Normal Tax rate	30.90%
-- Minimum Alternative Tax rate	19.06%
Notional Tax at normal rates	21.68
Tax at Special Rate	0
Total Tax (A)	21.68
Permanent differences	
Other adjustments	0
Disallowances	0
Total (B)	0.00
Timing Differences	
Depreciation as per Books	1.01
Depreciation as per Income Tax	0.00
Difference between tax depreciation and book depreciation	1.01
Other adjustments	0.00
Foreign income included in the statement	0.00
Total (C)	1.01
Net Adjustments (B+C)	1.01
Tax expense/(savings) thereon (D)	0.31
Total Taxation (E = A+D)	21.99
Brought forward losses set off (Depreciation)	0.00
Tax effect on the above (F)	0.00
Net tax for the year/period (E+F)	21.99
MAT Credit Utilised	0
Tax Payable for the year	21.99
Tax payable as per MAT	13.37
Tax expense recognised	21.68

*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 for period covered under audit.

Annexure - XII

Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security

There are no Secured and Unsecured Loans and Assets Charged as Security for period covered under audit.

Annexure - XIII

Statement of Trade Receivables:

(₹ in Lacs)	
Particulars	As at
	28.02.2014
Debts due for the period exceeding 6 months	770.81
Other Debts	10.11
Total	780.92
Related Parties under sundry debtors	
GCM Commodity & Derivatives Limited	770.81

Annexure - XIV

Statement of Loans & Advances:

(₹ in Lacs)	
Particulars	As at
	28.02.2014
Long Term	
Deposits	0.00
Others	0.00
Short Term	
Business Loans given	1,912.06
Deposits	0.00
Others	0.00
Total	1,912.06

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

The company has entered into following related party transactions for the period ended February 28, 2014. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

List of Related Parties	Relationship
-------------------------	--------------

GCM Commodity & Derivatives Limited	Group Company

	(₹ In lacs)
	As at
Particulars	28.02.2014
Sundry debtors	
GCM Commodity & Derivatives Limited*	770.81

* The money is receivable from GCM Commodity & Derivatives Limited, being commodity broker of NSEL, as a client pay out from NSEL for commodity trading activities carried out through them.

Annexure - XVI

Statement of Dividend paid:

No Dividend Paid Till Date

Annexure - XVII

Statement of Investments

There are no Investments for period covered under audit.

Annexure - XVIII

There were no qualifications in the Auditors' report for period covered under audit.

Annexure - XIX

Changes in the Significant Accounting Policies

There has been no change in the significant accounting policies for period covered under audit.

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 Draft 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.

Business Overview

We are a diversified financial services company mainly engaged in the business of providing financial advisory & consultancy services and engaged in treasury operations by providing funding solutions to our clients both in the form of Debt & Equity and investment activities.

1. Financial Advisory And Consultancy Services
2. Treasury Operations

We provide integrated solutions to our clients which includes managing crucial aspects like corporate finance, working capital finance, project finance and financial restructuring to corporate. We are primarily focused on small and mid sizes enterprises (SMEs).

As a part of our treasury operations, our Company is also engaged in making investment in the form of Debt & Equity in various companies. We are not bound by pre-defined restrictions in regards to our search for investment opportunities. We invest in companies in a variety of markets and stages. Our management approach can take the form either of driving change or partnership with existing owners.

We need sufficient financial liquidity and resources to be able to meet demands and opportunities from our development plans as they arise over time. The investment strategies are mostly long-term, and are based on an analysis of investment fundamentals. Our investments range from very complex financial instruments, to more basic schemes.

We also fund the requirements of our clients and business associates by providing short term loans and advances to them and earning interest income from the same.

Significant developments subsequent to the last financial year:

After the date of last financial year i.e. February 28, 2014, the Directors of our Company confirm that, there have not been any significant material developments.

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 operates. 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 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 believes 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 period ended February 28, 2014.

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 110 of the Draft Prospectus.

RESULTS OF OUR OPERATION

For the period ended February 28, 2014

(₹ Lacs)		
Particulars	Amount	% to Total Income
Operating Income	127.06	
Other Income	0.67	
Total Income	127.73	
Expenditure		
Administrative Expenses	32.21	25.22%
Employee Benefit Expenses	24.11	18.88%
Total Expenditure	56.32	44.09%
Profit Before Interest, Depreciation and Tax	71.41	55.91%
Depreciation	1.01	0.79%
Profit Before Interest and Tax	70.40	55.12%
Financial Charges	0.24	0.19%
Profit before Taxation	70.16	54.93%
Provision for Taxation	21.68	16.97%
Profit After Tax but Before Extra ordinary Items	48.48	37.96%

Operating Income

We recorded operating income of ₹ 127.06 Lacs. Our operating income consists of fees for various advisory and financial services provided by our Company and interest income from our treasury operations and profit from commodity trading. We had other income of ₹ 0.67 Lacs. Total income for the period ended February 28, 2014 stood at ₹ 127.73 Lacs.

Operating Expenses

The total operating expenditure aggregated to ₹ 56.32 Lacs which was 44.09% of the total income.

We incurred administrative expenses of ₹ 32.21 Lacs which was 25.22% of the total operating expenses and 25.22% of the total income.

Employee Benefit Expenses stood at ₹ 24.11 Lacs which was 42.81% of the total operating expenses and 18.88% of the total income.

Depreciation

We incurred Depreciation cost of ₹ 1.01 Lacs, which is 0.79% of our total income.

Interest and Financial Charges

Our financial charges for the period ended February 28, 2014 stood at ₹ 0.24 Lacs, which is 0.19% of our total income.

Profits

Our PBIDT stood at ₹ 71.41 Lacs for the period ended February 28, 2014 with the PBIDT margin of 55.91%. We recorded PBT of ₹ 70.16 Lacs and PBT margin stood at 54.93%. We recorded Net Profit of ₹ 48.48 Lacs. Our Net Profit Margin stood at 37.96%.

Related Party Transactions: For further information please refer “Annexure XV” beginning on page 123 under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 110 of the Draft 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 Draft Prospectus. To our knowledge, except as we have described in the Draft 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 Draft 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 service providers.

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 58 of the Draft 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.

We are not dependent on any single or few suppliers or customers.

10. Competitive conditions.

Competitive conditions are as described under the *Chapters titled “Industry Overview” and “Business Overview” beginning on pages 58 and 62, respectively of the Draft Prospectus.*

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

I. Litigations involving our Company

Against our Company : Nil

By our Company : Nil

II. Litigations involving our Directors / Promoter

A. Against our Directors / Promoter: Nil

B. By our Directors / Promoter: Nil

III. Litigations involving our Group Entities

A. Against our Group Entities :

- One of our Group Companies GCM Commodity & Derivatives Limited is a registered broker of National Spot Exchange Limited. GCM Commodity & Derivatives Limited is part of the BSE Broker's Forum which has filed various criminal and civil proceedings before various forums against National Spot Exchange Limited, its promoters, directors, key managerial personals, statutory auditors and other related entities as more particularly described in the said proceedings (collectively referred to as the "**Accused**") in relation to an alleged massive fraud perpetrated pursuant to a conspiracy hatched by the Accused along with unknown persons to defraud the public at large by means of offenses of cheating, misappropriation, breach of trust and forgery of valuable securities. The extent of fraud runs into thousands of crores. It has been prayed in the aforesaid proceedings, *inter alia*, that the monies and bank accounts, including the accounts of Accused be frozen in order to trace the monies of the Complainant, all assets into which the monies have been parted be seized and monies are to be recovered. GCM Commodity & Derivatives Limited has participated in the aforesaid proceedings *vide* BSE Broker's Forum for recovery of Rs. 16,87,90,241.50/- (Rupees Sixteen Crores Eighty-seven Lakhs Ninety Thousand Two Hundred Forty-one only) (for and on behalf of its clients and its proprietary dealings) from the Accused.

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 Promoter, 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

Following penalties have been levied by exchanges on our Promoter Company GCM Securities Limited, in past three years:

(Rs.)

Type of Penalty	FY 2010-11	FY 2011-12	FY 2012-13
Late uploading of Reports	9,200	5,620	1,172
Inspection & Others	11,554	13,000	1,16,271

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, February 28, 2014

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 125 of the Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in the Draft 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 Draft 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 68 of the Draft 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 ‘GCM Capital Advisors Limited’	Registrar of Companies, Maharashtra	U65923MH2013P LC243163	Companies Act, 1956	May 9, 2013	Valid until cancelled
2.	Certificate of Commencement of Business	Registrar of Companies, Maharashtra	U65923MH2013P LC243163	Companies Act, 1956	May 31, 2013	Valid until cancelled

B. Issue Related Authorisations

- Our Board of Directors has, pursuant to a resolution passed at its meeting held on February 17, 2014, 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.
- 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 March 11, 2014.
- Our Company has obtained approval dated [●] from the BSE.

C. Tax Related Authorisations

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AAFCG1712P	Valid until cancellation
2.	Tax Deduction Account Number	Income Tax Department, GoI	MUMG16908D	Valid until cancellation
3.	Service Tax Registration	Superintendent, Service Tax I, Div I, Mumbai	AAFCG1712PSD001	Valid until cancellation

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

- We have made an application for getting Professional Tax Registration.
- We have made an application for registration under the Bombay Shops and Establishments Act for our registered office located at 505, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400 021, Maharashtra.

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 February 17, 2014, 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 March 11, 2014.

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 131 of the Draft Prospectus.

We have received approval from BSE *vide* their letter dated [•] to use the name of BSE in the Draft Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

Our Company, Directors, Promoter, 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 Promoter, Directors or persons in control of our Company were or are associated as Promoter, 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. 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 Promoter or his 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 ruprees 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 Draft 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) 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 Draft 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 February 28, 2014 are disclosed as under:

(₹ lacs)	
Particulars	28-Feb-14
Fixed Assets (Net)	11.43
Intangible Assets	0.00
Current Assets, Loans & Advances	2,721.44
Investments	0.00
Less: Current Liabilities & provisions	204.68
Net Tangible Assets	2,528.19

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	28-Feb-14
Net Worth	2530.48

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 does not 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	28-Feb-14
Net Profit as per P&L Account	48.48

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 ₹ 16.94 crores.

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

Our Company is in the process of entering 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.gcmcap.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, INVENTURE MERCHANT BANKER SERVICES 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 DRAFT PROSPECTUS, THE LEAD MANAGER, INVENTURE MERCHANT BANKER SERVICES 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, INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] 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 PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTER' 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 PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS 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 PROMOTER 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, THE ALLOTMENT WILL BE MADE ONLY IN DEMAT FORM.
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, PROMOTER' 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 INVENTURE MERCHANT BANKER SERVICES 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 PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – *NOT APPLICABLE*
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 110[106P] AND 111[106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.

THE FILING OF THE DRAFT PROSPECTUS 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 DRAFT PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai.

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 Draft 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.gmcap.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 March 13, 2014, the Underwriting Agreement dated March 13, 2014 entered into among the Underwriters and our Company and the Market Making Agreement dated March 13, 2014 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 Draft Prospectus and the website of the Lead Manager at www.inventuregrowth.com

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 Draft 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 Draft 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 Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft 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 BSE Limited

BSE Limited (“BSE”) has given *vide* its letter dated [●], 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 Promoter, 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) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Corporate Finance Department at their Regional Office situated at: SEBI Bhawan, 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 will be delivered for registration with the RoC situated at 100, Everest Building, Marine Drive, Mumbai - 400 002, Maharashtra.

Listing

The Equity Shares issued through the Draft 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 [●]. 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 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

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, Maheshwari & 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 Draft Prospectus in the form and context in which they appear in the Draft 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 Maheshwari & Co., Chartered Accountants (a copy of the said report and statement of tax benefits has been included in the Draft Prospectus), we have not obtained any other expert opinions.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ 40.00 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, Advisors, Registrars, Bankers etc and other out of pocket expenses.	29.00
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	6.00

3.	Regulatory fees and other expenses	5.00
Total		40.00

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 March 13, 2014 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 March 13, 2014, 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, other than our Promoter Company, GCM Securities Limited and our Group Company GCM Commodity & Derivatives Limited 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.

Our Promoter Company, GCM Securities Limited and our Group Company GCM Commodity & Derivatives Limited have made any capital issue during the last ten years. For details of Performance vis-à-vis objects, please refer to the section titled “Our Group Entities” beginning on page 91 of the Draft Prospectus.

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 Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

- 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.

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 72 of the Draft Prospectus.

Our Company has appointed Ms. Suman Makhija as the Company Secretary and Compliance Officer and he may be contacted at the following address. :

GCM Capital Advisors Limited
505, Raheja Centre,
214, Free Press Journal Marg,
Nariman Point,

Mumbai – 400021

Tel: +91 22 3085 9103

Fax: +91 22 3085 9107

Email: ipo@gcmcap.com

Website: www.gcmcap.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

There have been no changes in the statutory auditors of our Company in the past three years, except that M/s Maheshwari & Co., Chartered Accountants were appointed the statutory auditors of our Company during FY 2014. M/s Rishikesh Mishra & Associates, Chartered Accountants was appointed as the first auditors of the Company. There were changes in the statutory auditors since the retiring auditor has expressed the inability to continue as the statutory auditor due to his preoccupations.

Capitalisation of Reserves or Profits

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 35 of the Draft 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 Draft 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 169 of the Draft 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 ₹ 20 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 48 of the Draft 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 169 of the Draft 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 6,000 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 6,000 Equity Share subject to a minimum allotment of 6,000 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 6,000 Equity Share subject to a minimum allotment of 6,000 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 6,000 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 Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 35 of the Draft 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 169 of the Draft 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 Promoter 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 Draft 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 Draft 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	[●]
ISSUE CLOSES ON	[●]

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 Draft 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 145 and 151 of the Draft Prospectus.

Particulars	Net Issue to Public [^]	Market Maker reservation portion
Number of Equity Shares*	42,72,000 Equity Shares	2,28,000 Equity Shares
Percentage of Issue Size available for allocation	94.93% of the Issue Size	5.07% of the Issue Size
	25.22% of the Post Issue Paid up Capital	1.35% of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 6,000 Equity Shares and Further allotment in multiples of 6,000 Equity Shares each. For further details please refer to the section titled " <i>Issue Procedure-Basis of Allotment</i> " on page 156 of the Draft 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 6,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <u>For Retail Individuals:</u> 6,000 Equity Shares	2,28,000 Equity Shares
Maximum Bid	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Size does not exceed 42,72,000 Equity Shares <u>For Retail Individuals:</u> 6,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	2,28,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	6,000 Equity Shares	6,000 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. In case of ASBA Applicants, the SCSBs shall be authorized to block such funds in the	

Particulars	Net Issue to Public [^]	Market Maker reservation portion
	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	[•]
ISSUE CLOSES ON	[•]

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 has been updated to include reference to certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges 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 this Draft Prospectus and the 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 Draft 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 Draft 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 6,000 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 6,000 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 Draft 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 6,000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 6,000 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 6,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 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 6,000 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 Draft 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 ₹ 20 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: "GCM Capital – Public Issue - R".
 - In case of Non Resident Retail Applicants applying on repatriation basis: "GCM Capital – 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 6,000;
- Category not ticked;
- Multiple Applications as defined in the Draft 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 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

- (d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (e) 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*
- (f) 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.

Signing of Underwriting Agreement

Vide an Underwriting agreement dated March 13, 2014 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 and one widely circulated Hindi language national daily 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 Draft 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. 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 [●], 2014 between NSDL, the Company and the Registrar to the Issue;

(b) Agreement dated [●], 2014 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. [●].

- 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 Draft 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 1 of 2013 with effect from April 5, 2013 (“**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 5, 2013), 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, 2011 (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 Draft 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 ₹ 18,00,00,000 divided into ₹ 1,80,00,000 Equity Shares of ₹ 10 each.

ARTICLES OF ASSOCIATION

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The authorised share capital of the Company shall be as per paragraph 5 of the Memorandum of Association of the Company with power to increase or reduce the share capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate any such rights, privileges or conditions in such manner as may be provided by the regulations of the Company and consolidate, sub-divide the shares and issue shares of higher or lower denomination. Further, the Company may from time to time by Ordinary Resolution increase its authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 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.
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provisions to apply on issue of Redeemable Preference Shares	9. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds 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) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed. (d) Where any such Shares are redeemed otherwise then 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. (e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.
Reduction of capital	10. The Company may (subject to the provisions of section 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce

Title of Article	Article Number and contents
	(a) the share capital; (b) any capital redemption reserve account; or (c) any security 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 up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
Purchase of own Shares	11. The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division consolidation and cancellation of Shares	12. Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	13. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	14. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 70 of the Act & Section 39 of the 2013 Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
Further issue of shares	15. (1) 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 then: (a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date; (b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined; (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right; (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company. (2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever. (a) If a Special Resolution to that effect is passed by the Company in General Meeting; or (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company. (3) Nothing in sub-clause (c) of (1) hereof shall be deemed; (a) To extend the time within which the offer should be accepted; or

Title of Article	Article Number and contents
	<p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p> <p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) To subscribe for Shares in the Company</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.</p>
Shares at the disposal of the Directors	<p>16.</p> <p>(1) Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> <p>(2) Subject to the provisions of section 81(1A) of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, provision of these articles and such other rules, procedures, Regulations and Guidelines as may be applicable any preferential issue of equity shares/warrants/fully convertible debentures/partially convertible debentures or any other financial instruments by the company which would be converted into or exchanged with equity shares at a later date shall be under the control of the Board which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times either at par or at a premium and for such consideration as the Board thinks fit.</p>
Power to offer Shares/options to acquire Shares	<p>16A</p> <p>(i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(ii) In addition to the powers of the Board under Article 16A (i), the Board may also allot the Shares referred to in Article 16A (i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.</p>
Application of premium received on Shares	<p>17.</p> <p>(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company.</p> <p>(2) The security premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <p>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;</p> <p>(b) In writing off the preliminary expenses of the Company;</p> <p>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or</p> <p>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p>

Title of Article	Article Number and contents
Power also to Company in General Meeting to issue Shares	<p>18.</p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>
Power of General Meeting to authorize Board to offer Shares/Options to employees	<p>18A</p> <p>Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose</p> <p>In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
Shares at a discount	<p>19.</p> <p>The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board;</p> <p>(b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and</p> <p>(c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.</p>
Installments of Shares to be duly paid	<p>20.</p> <p>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	<p>21.</p> <p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	<p>22.</p> <p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	<p>23.</p> <p>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p>

Title of Article	Article Number and contents
Liability of Members	<p>24.</p> <p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.</p>
Dematerialisation of securities	<p>25.(A)</p> <p>Definitions</p> <p>Beneficial Owner “Beneficial Owner” means a person whose name is recorded as such with a Depository.</p> <p>SEBI “SEBI” means the Securities and Exchange Board of India as established under section 3 of Securities and Exchange Board of India Act, 1992.</p> <p>Bye-Laws “Bye-Laws” mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act “Depositories Act” means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository “Depository” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations “Regulations” mean the regulations made by SEBI;</p> <p>Security/ Securities “Security” means such security/ securities as may be specified by SEBI.</p>
Dematerialisation of securities	<p>25.(B)</p> <p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p>
Options to receive security certificates or hold securities with depository	<p>25.(C)</p> <p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	<p>25.(D)</p> <p>All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.</p>
Rights of depositories and beneficial owners	<p>25.(E)</p> <p>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.</p>
Depository To Furnish Information	<p>25.(F)</p> <p>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p>

Title of Article	Article Number and contents
Service of documents	25.(G) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
Option to opt out in respect of any security	25.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 108 of the Act & Sec 45 of the 2013 Act not to apply	25.(I) Notwithstanding anything to the contrary contained in the Articles, (1) Section 45 of the 2013 Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26. (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them. (c) The Board may, from time to time, subject to the provisions of the Act and these Articles sub-divide/consolidate Share Certificates.
Limitation of time for issue of certificates	26A. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27. 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 pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	28. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Title of Article	Article Number and contents
	<p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>The provision of this Article shall <i>mutatis mutandis</i> apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	<p>29.</p> <p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Issue of Shares without Voting Rights	<p>30.</p> <p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>
Buy-Back of Shares and Securities	<p>31.</p> <p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 77 and SEBI (Buy back of Shares) Regulations as may be permitted by law.</p>
Employees Stock Options Scheme/ Plan	<p>32.</p> <p>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.</p>
Sweat Equity	<p>33.</p> <p>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.</p>
Postal Ballot	<p>34.</p> <p>The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.</p>
Company not bound to recognize any interest in Shares other than of registered holder	<p>35.</p> <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p>

Title of Article	Article Number and contents
Trust recognised	<p>36.</p> <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>
Declaration by person not holding beneficial interest in any Shares	<p>37.</p> <p>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act</p> <p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>(4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	<p>38.</p> <p>No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.</p>

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	<p>39.</p> <p>Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.</p>
Brokerage	<p>40.</p> <p>The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.</p>
Commission to be included in the annual return	<p>41.</p> <p>Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.</p>

INTEREST OUT OF CAPITAL

Title of Article	Article Number and contents
Interest out of capital	<p>42.</p> <p>Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.</p>

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	<p>43.</p> <p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.</p> <p>(d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act.</p> <p>(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p>

CALLS

Title of Article	Article Number and contents
Directors may make calls	<p>44.</p> <p>(a) Subject to the provisions of Section 49 of the 2013 Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	<p>45.</p> <p>Not less than fourteen 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.</p>
Call deemed to have been made	<p>46.</p> <p>A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p>
Directors may extend time	<p>47.</p> <p>The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.</p>
Amount payable at fixed time or by installments to be treated as calls	<p>48.</p> <p>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p>
When interest on call or installment payable	<p>49.</p> <p>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p>
Evidence in action by Company against share	<p>50.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it</p>

Title of Article	Article Number and contents
holder	shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	<p>51.</p> <p>The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on Debentures of the Company.</p>

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	<p>52.</p> <p>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p>
Company's lien on Shares/ Debentures	<p>53.</p> <p>The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. Further, the fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;</p>
As to enforcing lien by sale	<p>54.</p> <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members</p> <p>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	<p>55.</p> <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	<p>56.</p> <p>If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.</p>

Title of Article	Article Number and contents
Sum payable on allotment to be deemed a call	57. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	58. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	59. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	60. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	61. Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	62. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	63. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	64. The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	65 (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off. (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share. (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment. (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	66. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	67. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	68. The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts

Title of Article	Article Number and contents
	therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	69. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of Shares	70. The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	71. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	72. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. Further, a common transfer form shall be used.
Application for transfer	73. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	74. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	75. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	76. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures 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 at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	77. Subject to the provisions of Section 59 of the 2013 Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused 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 a lien on partly paid up Shares.
Death of one or more joint holders of Shares	78. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
	79.

Title of Article	Article Number and contents
Titles of Shares of deceased Member	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.
Notice of application when to be given	80. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	81. Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	82. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	83. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	84. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	85. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board 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 may, 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.
Company not liable for disregard of a notice prohibiting registration of transfer	86. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	88. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor

Title of Article	Article Number and contents
Privileges and disabilities of the holders of share warrant	89. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	90. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	91. The Company may, by Ordinary Resolution: (a) convert any fully paid up Share into stock, and (b) reconvert any stock into fully paid-up Shares.
Transfer of stock	92. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	93. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	94. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	95. Subject to the provisions of Sections 58A, 292 of the Act & Section 180 of the 2013 Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	96. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	97. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Terms of issue of Debentures	98. Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	99. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Statutory meeting	100. The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business and the provisions related to the Statutory Report shall be complied with.
Annual General Meeting	101. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. 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 lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provisions of Section 166 (1) of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. Then 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 Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers 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 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.
Report statement and registers to be laid before the Annual General Meeting	102. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	103. All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionists' meeting	104. (1) Subject to the provisions of Section 111 of the 2013 Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:- (a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting. (b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting. (2) The number of Members necessary for a requisition under clause (1) hereof shall be (a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or (b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which there has been paid up an aggregate sum of not less than Rupees one lac in all. (3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter. (4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless: (a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company. (i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting. (ii) the case of any other requisition, not less than two weeks before the Meeting, and (b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto. PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof. (5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred

Title of Article	Article Number and contents
	<p>by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
Extra-Ordinary General Meeting by Board and by requisition	<p>105.</p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p>
Contents of requisition, and number of requisitionists required and the conduct of Meeting	<p>106.</p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) By the requisitionists themselves ; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (1) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p>107.</p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice	<p>108</p> <p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;</p> <p>(b) 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 them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company.</p> <p>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper</p>

Title of Article	Article Number and contents
	<p>circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 102 of the 2013 Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	<p>109.</p> <p>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place, of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) 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.</p>
Omission to give notice not to invalidate proceedings	<p>110.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>

MEETING OF MEMBERS

Title of Article	Article Number and contents
Notice of business to be given	<p>111.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
Quorum	<p>112.</p> <p>Quorum for General Meeting shall be as prescribed in Section 103 of the 2013 Act and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with section 113 of the 2013 Act.</p>
If quorum not present when Meeting to be dissolved and when to be adjourned	<p>113.</p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and 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 as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.</p>
Resolution passed at adjourned Meeting	<p>114.</p> <p>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.</p>
Chairman of General Meeting.	<p>115.</p> <p>At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.</p>
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required.	<p>115(A)</p> <p>Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.</p>
Business confined to election of Chairman whilst the Chair is vacant	<p>116.</p> <p>No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.</p>
Chairman may adjourn Meeting	<p>117.</p> <p>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.</p>

Title of Article	Article Number and contents
	(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	118. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	119. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	120. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	121. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	122. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	123. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise 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 a 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 the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	124. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	126. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	127. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A

Title of Article	Article Number and contents
	Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	129. A Member of unsound mind, or in respect of whom 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 a poll, vote by proxy.
Votes of joint Members	130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but 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 either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	131. (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. (b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Votes in respects of deceased or insolvent Members	132. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	133. 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 113 of the 2013 Act.
Rights of Members to use votes differently	134. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	135. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	136. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	137. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	138. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notorially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	139. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.

Title of Article	Article Number and contents
Validity of votes given by proxy notwithstanding revocation of authority	140. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	141. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	142. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	143. If any such instrument of appointment is confined to the object of appointing an attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
Directors	144A. As the date of adoption of these Articles the following are the Directors of the Company: 1. Mr.INDER CHAND BAID 2. Mr. MANISH BAID 3. Mr. SAMIR BAID
Appointment of Directors	145. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	146. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	147. a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places. b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company. c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

Title of Article	Article Number and contents
	<p>e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Special Director	<p>148.</p> <p>The Company shall subject to the provisions of the Act, be entitled to agree with any person, firm or corporations that he or it shall have the right to appoint him or its nominee or nominees on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit.</p> <p>Such nominee and their successors in office appointed under this Article shall be called “Special Director” of the Company.</p> <p>The Special Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meeting and meetings of the committee of which the Special Director/s is/are members/s as also the minutes of such meetings. Such Special Directors shall not be required to hold any qualification shares nor be liable to retire by rotation.</p> <p>The Special Directors appointed hereof shall be entitled to hold office until requested to retire by the Person, firm or corporation which may have appointed him/them and not will be liable to retire by rotation. As and when the Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the Person, firm corporation who are or which appointed such Director may appoint any other Director in his place. A Special Director may, at any time, by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as may other Director of the Company</p>
Limit on number of retaining Directors	<p>149.</p> <p>The provisions of Articles 146, 147, 148 and 149 are subject to the provisions of Section 256 of the Act and number of such Directors appointed under Article 147 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p>150.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him 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. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p>
Directors may fill in vacancies	<p>151.</p> <p>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p>
Additional Directors	<p>152.</p> <p>The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p>
Qualification shares	<p>153.</p> <p>A Director need not hold any qualification shares.</p>
Directors’ sitting fees	<p>154.</p> <p>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees</p>

Title of Article	Article Number and contents
	as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	<p>155.</p> <p>Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <p>i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>ii) by way of commission if the Company by a Special Resolution authorised such payment.</p>
Traveling expenses incurred by Directors on Company's business	<p>156.</p> <p>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.</p>
Director may act notwithstanding vacancy	<p>157.</p> <p>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.</p>
Board resolution necessary for certain contracts	<p>158.</p> <p>(1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>(b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other 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, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director	<p>159.</p> <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>
Directors of interest	<p>160.</p> <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract 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.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the</p>

Title of Article	Article Number and contents
	Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.
Directors and Managing Director may contract with Company	161. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.
Disqualification of the Director	162. A person shall not be capable of being appointed Director of the Company if:- (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.
Vacation of office by Directors	163. The office of Director shall become vacant if:- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or (b) he applies to be adjudged an insolvent; or (c) he is adjudged an insolvent; or (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or (e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or (f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or (g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the 2013 Act; or (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or (i) he becomes disqualified by an order of the Court under Section 203 of the Act; or (j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or (k) if by notice in writing to the Company, he resigns his office, or (l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
Vacation of office by Directors (contd.)	164. Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 162 hereof, the disqualification referred to in these clauses shall not take effect: (a) for thirty days from the date of the adjudication, sentence or order; (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or (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.
Removal of Directors	165. (a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office. (b) Special Notice as provided by these Articles or Section 190 of the Act; shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed. (c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting. (d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are,

Title of Article	Article Number and contents
	<p>received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late) or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the 2013 Act be filled by the: appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 163 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 153 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
Interested Directors not to participate or vote in Board's proceedings	<p>166.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, 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 of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of companies promoted by the Company	<p>167.</p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>
Appointment of Sole Selling Agents	<p>168.</p> <p>a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.</p> <p>b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.</p>

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	<p>169.</p> <p>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	<p>170.</p> <p>Subject to the provisions of Articles 148 and 150, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
Retiring Directors	<p>171.</p> <p>Subject to the provisions of Section 256 of the Act and Articles 146 to 153, at every Annual General Meeting of the Company, one-third or 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. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 184, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
Appointment of Technical or Executive	<p>172.</p> <p>a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason</p>

Title of Article	Article Number and contents
Directors	<p>whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>b) Subject to the provisions of Section 161 of the 2013 Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>
Ascertainment of Directors retiring by rotation and filling of vacancies	<p>173.</p> <p>Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 174 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.</p>
Eligibility for re-election	<p>174.</p> <p>A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.</p>
Company to fill vacancies	<p>175.</p> <p>Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.</p>
Provision in default of appointment	<p>176.</p> <p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <p>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.</p> <p>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.</p> <p>(iii) he is not qualified or is disqualified for appointment</p> <p>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>(v) the provision of the section 162 of the 2013 Act is applicable to the case.</p>
Company may increase or reduce the number of Directors or remove any Director	<p>177.</p> <p>Subject to the provisions of Section 252, 255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.</p>
Appointment of Directors to be voted individually	<p>178.</p> <p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	<p>179.</p> <p>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.</p> <p>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.</p> <p>(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act, appointed as a Director re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
	180.

Title of Article	Article Number and contents
Disclosure by Directors of their holdings of their Shares and debentures of the Company	Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body Corporate	181. A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	182. (1) Subject to the provisions of the Act, the Board may from time to time appoint one or more of their body to the office of Managing Directors for such period and on such terms it may think fit and subject to the terms of any agreement entered into with him may revoke such appointment, in making such appointment(s) the Board shall ensure compliance with the requirements of law and seek and obtain such approvals as are prescribed by the Act. (2) Subject to the provisions of the Act and these Articles, the Managing Directors or Managing Director shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Managing Director or Managing Directors if he or they cease to hold the office of the Director for any cause.
Remuneration of Managing Director	183. The Managing Director or Managing Directors may be paid remuneration either by way of monthly payment or a specified percentage of the net profit of the Company or partly by one way and partly by other or any other mode not expressly prohibited by the Act.
Certain persons not to be appointed Managing Director(s)	184. The Company shall not appoint or employ or continue the appointment or employment of a person as its Managing Director or Whole-time Director who- (a) is an undischarged insolvent or has at any time been adjudged an insolvent; (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; (c) is or has at any time been convicted by a court of an offence involving moral turpitude
Powers of Managing Director	185. The Director may from time to time entrust to and confer upon a Managing Director or Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	186. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
	187. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.
	188. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	189. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	189A The Board may, from time to time, appoint any Manager (under Section 2(53) of the 2013 Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a

Title of Article	Article Number and contents
	Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Title of Article	Article Number and contents
Power to appoint Whole Time Director and/or Whole-time Directors	190. (1) Subject to the provisions of the Act in force from time to time, the Board may appoint one or more of their body to the office of the Whole Time Director of Whole Time Directors for a term not exceeding five years at a time as may be thought fit and may from time to time (subject to provisions of any contract between him/them and the Company) remove or dismiss him or them from office and appoint any or others in or their place or places. (2) Subject to the provisions of the Act and these Articles, the Whole-time Directors or Whole-time Directors shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Whole-time Director or Whole-time Directors if he or they cease to hold the office of the Director for any cause.
To what provisions Whole time Directors shall subject	191. Whole Time Director or Whole Time Directors shall carry out such functions as may be assigned to him/them by the Managing Director from time to time or the Board of directors as it may deem fit. Whole Time Director or Whole Time Directors shall not be paid sitting fees for attending meeting of the Board of Directors or any committee(s) thereof.
Resignation of office of Managing Director & Whole Time Director	Acceptance by the Company of the resignation laid by the Managing or Whole Time Director is necessary for the resignation to be effective.
Applicability of certain sections.	Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration to the Managing Director, Whole Time Director or Manager shall be subject to approval of the members in general meeting subject to the conditions of Schedule XIII of the Act and/or with the approval of the Central Government.
Seniority of Whole Time Director and Managing Director	192. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Meeting of Directors	193. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least 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. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	194. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b) for the purpose of clause(a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	195. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the

Title of Article	Article Number and contents
	next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	196. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	197. Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board 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.
Powers of Board meeting	198. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	199. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	200. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	201. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, 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 addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	202. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	203. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall 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 or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (e) contribute to charitable and other funds not directly relating to the business of the Company or the

Title of Article	Article Number and contents
	<p>welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression “temporary loans” in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	<p>204.</p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	<p>205.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>3. Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.</p> <p>9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>11. Subject to the provisions of Sections 291,292,370,372 all other applicable provisions of the Act</p>

Title of Article	Article Number and contents
	<p>along with 185 of the 2013 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 may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>13. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the 2013 Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>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 person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p>

Title of Article	Article Number and contents
	<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 person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22. Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32. To let, sell or otherwise dispose of subject to the provisions of Section 180 of the 2013 Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34. 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 to comply with.</p>

MANAGEMENT

Title of Article	Article Number and contents
Prohibition of simultaneous appointment of different categories of managerial personnel	<p>206.</p> <p>The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :-</p> <p>a) Managing Director and</p> <p>b) Manager.</p>

MINUTES

Title of Article	Article Number and contents
Minutes to be made	<p>207.</p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>
Minutes to be evidence of the proceeds	<p>208.</p> <p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p>
Books of minutes of General Meeting to be kept	<p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p>
Presumptions	<p>209.</p> <p>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.</p>

THE SECRETARY

Title of Article	Article Number and contents
Secretary	<p>210.</p> <p>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.</p>
The Seal, its custody and use	<p>211.</p> <p>(a) Seal The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.</p> <p>(b) Common Seal for use outside India The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956</p> <p>(c) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.</p> <p>(d) Affixing of Seal on deeds and instruments' On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.</p> <p>(e) Affixing of Seal on Share Certificates Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being.</p> <p>(f) Removal of Common Seal outside the office premises The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.</p>

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	<p>212.</p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect</p>

Title of Article	Article Number and contents
	<p>whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares,</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	<p>213.</p> <p>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the 2013 Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.</p>
Dividends out of profits only	<p>214.</p> <p>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.</p>
Interim dividend	<p>215.</p> <p>The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.</p>
Debts may be deducted	<p>216.</p> <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance to carry interest, not the right to earn dividend	<p>217.</p> <p>Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.</p>
Dividends in proportion to amounts paid-up	<p>218.</p> <p>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.</p>
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	<p>219.</p> <p>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.</p>
Effect of transfer of Shares	<p>220.</p> <p>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.</p>
Dividend to joint holders	<p>221.</p> <p>Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.</p>
Dividend how remitted	<p>222.</p> <p>The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.</p>
Notice of dividend	<p>223.</p> <p>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.</p>
Reserves	<p>224.</p> <p>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.</p>
Dividend to be paid within time required by law.	<p>225.</p> <p>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <p>(a) where the dividend could not be paid by reason of the operation on any law; or</p> <p>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</p> <p>(c) where there is dispute regarding the right to receive the dividend; or</p> <p>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</p>

Title of Article	Article Number and contents
	(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	226. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank and to be called “GCM CAPITAL ADVISORS LIMITED (year) Unpaid Dividend Account”. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law
Set-off of calls against dividends	227. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	228. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	229. (1)The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b)that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or (c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b) (3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.
Board to give effect	230. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	231. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and Generally do all acts and things required to give effect thereto. (2)The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	232. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place b. all sales and purchases of goods by the Company c. the assets and liabilities of the Company and d. if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides 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.

Title of Article	Article Number and Contents
	(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	233. No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.
Statements of accounts to be furnished to General Meeting	234. The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	235. (1) The Company shall comply with the requirements of Section 219 of the Act. (2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.
Accounts to be audited	236. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	237. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act. (2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor. (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless: (a) he is not qualified for re-appointment; (b) he has given to the Company notice in writing of his unwillingness to be re-appointed; (c) a resolution has been passed at that Meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or (d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with. (4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy. (5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government. (6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting. (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	238. Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must be served or given	239. Document or notice of every Meeting shall be served or given 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 or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the

Title of Article	Article Number and Contents
	Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.
Members bound by documents or notices served on or given to previous holders	240. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	241. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	242. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	243. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: (a) Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.
Inspection of Registers	244. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

WINDING UP

Title of Article	Article Number and Contents
Distribution of assets	245. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	246. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit. (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably

Title of Article	Article Number and Contents
	<p>fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
<ul style="list-style-type: none"> Right of shareholders in case of sale 	<ul style="list-style-type: none"> 247. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	<p>248.</p> <p>Subject to the provisions of Section 201 of the Act, every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the 2013 Act in which relief is granted to him by the Court.</p>
Director, officer not responsible for acts of others	<p>249.</p> <p>Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortious act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.</p>

SECRECY CLAUSE

Title of Article	Article Number and Contents
Secrecy Clause	<p>250.</p> <p>Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>
No Member to enter the premises of the Company without permission	<p>251.</p> <p>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>

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 Draft 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 Draft 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 505, Raheja Centre, 214, Free Press Journal Marg, Nariman Point, Mumbai – 400021, India, from date of filing the Draft 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 March 13, 2014 between our Company and the Lead Manager.
2. Memorandum of Understanding dated March 13, 2014, between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated March 13, 2014 between our Company, the Lead Manager, Market Maker and Underwriter.
4. Market Making Agreement dated March 13, 2014 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●], 2014.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●], 2014.
7. Escrow Agreement dated [●] 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 February 17, 2014 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated March 11, 2014 authorizing the Issue.
4. Statement of Tax Benefits dated March 14, 2014, issued by our Statutory Auditors, Maheshwari & Co., Chartered Accountants.
5. Report of the Statutory Auditors, Maheshwari & Co., Chartered Accountants dated March 14, 2014, on the Restated Financial Statements for the period ended February 28, 2014 of our Company.
6. Copy of Certificate from the Statutory Auditor, Maheshwari & Co., Chartered Accountants dated [●], 2014, regarding the source and deployment of funds as on [●], 2014.
7. Copy of Audited Financials for the period ended February 28, 2014.
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 [●] filed with the BSE.

10. Copy of approval from BSE *vide* letter dated [●], 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 March 14, 2014 from the Lead Manager to BSE.
12. Due Diligence Certificate dated [●], 2014 from the Lead Manager to SEBI.
13. Resolution of the shareholders passed at their extra ordinary general meeting dated March 11, 2014 for fixing the term of appointment of our Managing Director, Mr. Manish Baid.

Any of the contracts or documents mentioned in the Draft 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 Draft 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 Draft Prospectus are true, fair, accurate and correct.

Signed by all the Directors of GCM Capital Advisors Limited

Name and designation	Signature
Manish Baid <i>Managing Director</i>	
Samir Baid <i>Director</i>	
Alok Kumar Das <i>Independent Director</i>	
Mitesh M. Mehta <i>Independent Director</i>	

Signed by the Senior Director - Finance

Mr. Manish Baid

Place: **Mumbai**

Date: March 14, 2014

ANNEXURE - A
TABLE 1: FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED

Sr No	Issue Name	Issue Size ₹ (Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th day from listing day	Benchmark index as on 10th days from listing day (Closing)	Closing price as on 20th day from listing day	Benchmark index as on 20th days from listing day (Closing)	Closing price as on 30th day from listing day	Benchmark index as on 30th days from listing day (Closing)
1	Bronze Infra-Tech Limited	8.56	15	November 7, 2012	16.70	16.30	8.67	18902.41	15.65	18339.00	16.80	18842.08	16.05	19424.10
2	GCM Securities Limited	12.18	20	April 5, 2013	65.00	68.25	241.25	18450.23	82.85	18744.93	82.85	19406.85	119.25	19673.64
3	GCM Commodity & Derivatives Limited	7.02	20	August 14, 2013	20.25	20.30	1.50	19367.59	19.10	18519.44	12.55	18234.66	14.60	19997.45
4	Silverpoint Infrotech Limited	12.00	15	August 28, 2013	13.00	13.60	-9.33	17996.15	13.50	19270.06	12.95	19997.45	9.50	19727.27
5	VKJ Infra-developers Limited	12.75	25	August 30, 2013	23.80	23.80	-4.80	18619.72	21.20	19997.09	18.09	20646.64	28.85	19379.77
6	Newever Trade Wings Limited	6.32	10	October 17, 2013	12.80	12.80	28	20415.51	15.35	21164.52	21.83	20894.94	26.03	20229.05
7	Unishire Infra Limited	6.43	10	February 28, 2014	12.05	11.45	14.50	21120.12	11.35	21825.42	--	--	--	--

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 discount as on 30th calendar day from listing day			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%	Over 50%	Between 25-50%	Less than 25%
2012-13	2	20.74	--	--	--	1	--	1	--	--	--	1	--	1
2013-14	5	44.52	--	--	2	2	1	2	--	2	--	1	--	1

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK