



DRAFT PROSPECTUS

Fixed Price Issue

Please read Section 32 of the Companies Act, 2013

Dated: September 25, 2014

Enn Tee International Limited

Our Company was incorporated in Delhi as “Enn Tee International Private Limited” on February 15, 1999 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. On June 11, 2014 it was converted to a Public Limited Company under the name of Enn Tee International Limited and fresh Certificate of Incorporation consequent upon change of name was issued by ROC, Delhi & Haryana. For further details in relation to change in management and change in name, please refer to section titled “Our History & Corporate Structure” on Page no. 87 of this Draft Prospectus.

Corporate Identification Number is U18101DL1999PLC098394


Registered Office & Corporate Office: A-64/1, First Floor, G.T. Kamal Road Industrial Area, Azadpur, New Delhi-110033

Tel: 91- 011-27246642, 32320253; **Fax:** 91- 011-47063624

E-Mail: admin@enntee.com; **Website:** www.enntee.com

Company Secretary & Compliance Officer: Mr. Kuldeep Dahiya

PROMOTERS OF THE COMPANY: Mr. Harish Chander, Mrs. Raman, M/s Harish Trading Co. (H.U.F), M/s Bright Polymers Pvt. Ltd, M/s Enn Tee Textiles Pvt. Ltd, M/s Euro Spin Fab Pvt. Ltd.	
PUBLIC ISSUE OF 60,00,000 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF ENN TEE INTERNATIONAL LIMITED (“ETIL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 33/- PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. 1,980 LACS (“THE ISSUE”), OF WHICH 3,00,000 EQUITY SHARES OF RS. 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE SECTION “DEFINITIONS AND ABBREVIATIONS”) (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. ISSUE OF 57,00,000 EQUITY SHARES OF RS. 10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 61.87% AND 58.78%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.	
THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER X-B OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. For further details see “Issue Related Information” beginning on page no. 152 of this 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 no 161 of this 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 RS. 10/- EACH AND THE ISSUE PRICE IS 3.3 TIMES OF THE FACE VALUE.	
RISK IN RELATION TO THE FIRST ISSUE TO THE PUBLIC	
This being the first issue of our Company, there has been no formal market for the securities of the company. The face value of the Equity Shares is Rs. 10/ and the issue price is at 3.3 times of face value. The issue price as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on “Basis For Issue Price” beginning on page no 55 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the shares of the company or regarding the price at which the equity shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the NSE-Emerge Platform nor does NSE-Emerge guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 13 of this Draft Prospectus.	
ISSUER’S ABSOLUTE RESPONSIBILITY	
The Company having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 this 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 SME platform of the NSE i.e., “EMERGE” in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time; in-principle approval from NSE for listing the Equity Shares has been received pursuant to its letter no. [●] dated [●]. For the purpose of this Issue, the NSE shall be the Designated Stock Exchange.	
IPO GRADING	
This Issue has been graded by CRISIL Limited and has been assigned “[●]” (pronounced [●] out of [●]), indicating that the fundamentals of our Company are superior compared to other SMEs in India through its report dated [●]. The IPO grading is assigned on a five point scale from 1 to 5 with an “SME 5/ 5” indicating excellent fundamentals and an “SME 1/5” indicating poor fundamentals. Please refer to the section titled General Information on 32 of this Draft Prospectus for more information.	

MANAGER TO THE OFFER	REGISTRAR TO THE ISSUE
 MEFCOM (financial services & solutions) Mefcom Capital Markets Limited Regd Office.: 5th Floor, Sanchi Building, 77, Nehru Place, New Delhi- 110019 Phone: +91-11- 46500500 Fax No: +91-11- 46500550 SEBI Regn. No.- MB/TNM000000016 Website: www.mefcom.in Contact Person: Mr. Anand Srivastava Email: anand@mefcom.in	 Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400072. Tel: +9122-28470652, +9122-40430200 Fax: +9122- 2847 5207 SEBI Registration No.: INR000001385 Website: www.bigshareonline.com Contact Person: Mr. Y.K Singhal Email: yksinghal@bigshareonline.com

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

TABLE OF CONTENTS

SECTION	TITLE	PAGE NO
I	GENERAL	3
	DEFINITIONS AND ABBREVIATIONS	3
	PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	11
	FORWARD LOOKING STATEMENTS	12
II	RISK FACTORS	13
III	INTRODUCTION	22
	SUMMARY	22
	SUMMARY OF FINANCIAL DATA	28
	ISSUE DETAILS IN BRIEF	31
	GENERAL INFORMATION	32
	CAPITAL STRUCTURE	39
	OBJECTS OF THE ISSUE	51
	BASIS FOR ISSUE PRICE	55
	STATEMENT OF TAX BENEFITS	57
IV	ABOUT OUR COMPANY	66
	INDUSTRY OVERVIEW	66
	OUR BUSINESS	75
	KEY INDUSTRY REGULATIONS AND POLICIES	83
	OUR HISTORY AND CORPORATE STRUCTURE	87
	OUR MANAGEMENT	90
	OUR PROMOTERS	103
	OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES	110
	RELATED PARTY TRANSACTIONS	117
	DIVIDEND POLICY	117
V	FINANCIAL INFORMATION	118
	AUDITOR'S REPORT	118
	MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	132
VI	LEGAL AND OTHER INFORMATION	137
	OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	137
	GOVERNMENT & OTHER APPROVALS	139
	OTHER REGULATORY AND STATUTORY DISCLOSURES	140
VII	ISSUE RELATED INFORMATION	152
	TERMS OF THE ISSUE	152
	ISSUE STRUCTURE	157
	ISSUE PROCEDURE	161
VIII	MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	186
IX	OTHER INFORMATION	199
	LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	199
	DECLARATION	201

SECTION I: GENERAL DEFINITIONS AND ABBREVIATIONS

CONVENTIONAL/ GENERAL TERMS

TERM	DESCRIPTION
Act/Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Equity Shares	The Equity Shares of face value of Rs.10 each of Enn Tee International Limited.
Indian GAAP	Generally Accepted Accounting Principles in India
Non Resident	A person who is not an NRI, FII and is not a person resident in India
NRI/Non-Resident Indian	A person resident outside India, as defined under FEMA and whoa Citizen of India or a Person of Indian Origin is as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Quarter	A period of three continuous months.
RBI Act	The Reserve Bank of India Act, 1934.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI (ICDR) Regulations, 2009	Means the regulations for Issue of Capital and Disclosure Requirements issued by Securities and Exchange Board of India ,constituted in exercise of powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992 (as amended), called Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations,2009.
Stock Exchanges	Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

ISSUE RELATED TERMS

TERM	DESCRIPTION
Allotment/Allot	Issue of Equity Shares pursuant to the Issue to the successful applicants as the context requires.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount (ASBA)	Means an application for subscribing to an issue containing an authorization to block the application money in a bank account

ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate application Amount of the ASBA applicant, as specified in the ASBA Application Form
ASBA Applicant(s)	Prospective investors in this Issue who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, non- retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications.
ASBA Location(s)/Specified Cities	Location(s) at which ASBA Application can be uploaded by the Brokers, namely Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Public Issue Account	An Account of the Company under Section 73 of the Act, where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Investors
Basis of Allotment	The basis on which Equity Shares will be allotted to the Investors under the Issue and which is described in “Issue Procedure–Basis of Allotment” on Page 182 of the Draft Prospectus.
Designated Market Maker	[•]
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Issue/Issue size/ initial public issue/ Initial Public Offer/Initial Public Offering	Public issue of 60,00,000 Equity Shares of Rs. 10/- each (“Equity Shares”) of Enn Tee International Limited (“ETIL” or the “Company” or the “Issuer”) for cash at a price of Rs. 33/- per share (the “Issue Price”), aggregating to Rs. 1980 Lacs (“the Issue”).
Issue Opening date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application
Lead Manager/LM	Lead Manager to the Issue being Mefcom Capital Markets Limited.
Listing Agreement	The model Listing Agreement for SME Exchange- Emerge to be entered into with NSE by our Company.
Market Maker Reservation Portion	The Reserved portion of 3,00,000 Equity shares of Rs. 10/- each at Rs. 33/- per Equity Share aggregating to Rs. 99 Lacs for Designated Market Maker in the Initial Public Issue of Enn Tee International Limited.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 57,00,000 Equity Shares of Rs.10/- each at Rs. 33/- per Equity Share aggregating to Rs.1881 Lacs by Enn Tee International Limited.
Business Day	Any day on which commercial banks in Mumbai are open for the business
MCML	Mefcom Capital Markets Limited

Depository Act	The Depositories Act, 1996 as amended from time to time.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act, 1956
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 the 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 Bankers to the Issue / Escrow Collection Bank (s)	[•]
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI as Bankers to the Issue at which bank the Escrow Account of our Company, will be opened.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 33/-.
Mutual Funds	A mutual Fund registered with SEBI under SEBI (Mutual Funds) Regulations, 1996
Memorandum of Understanding	The arrangement entered into on March 11, 2014 between our Company, and Lead Manager pursuant to which certain arrangements are agreed in relation to the Issue
Non – resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs
Non-Institutional Investor(s)	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares exceeding Rs. 2,00,000
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Issue Account / Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the Escrow Account on or after the Issue Opening Date.
Qualified Institutional Buyers or QIBs	The term "Qualified Institutional Buyers" or "QIBs" shall have the meaning ascribed to such term under the SEBI ICDR Regulations and shall mean and include (i) a Mutual Fund, VCF and FVCI registered with SEBI; (ii) an FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; (iii) a public financial institution as defined in Section 4A of the Companies Act; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of Rs. 250 million; (ix) a pension fund with minimum corpus of Rs. 250 million; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;

	(xi) insurance funds set up and managed by army, navy or air force of the Union of India; and (xii) insurance funds set up and managed by the Department of Posts, India eligible for applying in this Issue.
Registrar/Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400072.
Retail Individual Investor(s)	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 Rs. 2,00,000.
Refund Account	The account opened / to be opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of application Amount (excluding to the ASBA Applicants) shall be made.
Refund Bank	[●]
Refunds through electronic transfer funds	Refunds through ECS, Direct Credit, RTGS or the ASBA process, as applicable.
Self-Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on www.sebi.gov.in/pmd/scsb.pdf or at such other website as may be prescribed by SEBI from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as Amended.
Underwriters	A company or other entity that administers the public issuance and distribution of securities from a corporation or other issuing body. An underwriter works closely with the issuing body to determine the offering price of the securities buys them from the issuer and sells them to investors via the underwriter's distribution network.
Underwriting Agreement	The Agreement among the Underwriters and our Company
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.
Market Maker	A market maker is a company, or an individual, that quotes both a buy and a sell price in a financial instrument or commodity held in inventory, hoping to make a profit on the bid-offer spread, or turn. Market makers are net sellers of an option to be adversely selected at a premium proportional to the trading range at which they are willing to provide liquidity.

“Enn Tee International Limited” (“ETIL”), “our Company” , “the Company” , “the Issuer Company” , “the Issuer” “we” , “us” , and “our”.	Unless the context otherwise requires, refers to Enn Tee International Limited, a public limited company incorporated under the Companies Act, 1956.
Articles/Articles of Association	The Articles of Association of Enn Tee International Limited.
Statutory Auditors	The Statutory Auditors of our Company namely, M/s Raj M S Gupta & Co., Chartered Accountants.
Peer Review Auditors	The Peer Review Auditors of our Company namely, M/s G.C. Agarwal & Associates Chartered Accountants.
Board/Board of Directors	The Board of Directors of Enn Tee International Limited unless otherwise specified or any committee constituted thereof.
CIN	Corporate Identification Number
DIN	Directors Identification Number
Memorandum/ Memorandum of Association	The Memorandum of Association of Enn Tee International Limited.
Objects of the Issue/Project	<p>The present issue is being made to raise the funds for the following purposes:</p> <ul style="list-style-type: none"> • To meet the expenses of technological upgradation of machinery in the existing plant. • Installation of high bulking heat setting & cabling machinery for carpet yarn for value addition in the final product. • Installation of a new line for manufacturing polyester. • To meet Public Issue expenses and listing of shares on stock exchanges • To meet general corporate purposes.
Promoter(s)	<p>Unless the context otherwise requires, refers to</p> <ul style="list-style-type: none"> • Harish Chander • Harish Trading Co. (HUF) • Smt Raman • Bright Polymers Pvt Ltd • Enn Tee Textiles Pvt Ltd • Euro Spin Fab Pvt Ltd
Promoter–Director(s)	Unless the context otherwise requires, refers to Harish Chander
Registered Office & Corporate office of our Company	A-64/1, G.T Karnal Road Industrial Area, Azadpur, New Delhi 110033.
RoC	4th Floor, IFCI Tower, 61 Nehru Place, New Delhi-110019.

INDUSTRY RELATED TERMS

TERM	DESCRIPTION
BD	Book Debts
CAGR	Compound Annual Growth Rate
CIS	Commonwealth Of Independent States
CRAMS	Contract Research And Manufacturing Services
CSO	Central Statistical organization
GDP	Gross Domestic Product
Gm	Gram
GMP	Good Manufacturing Practices
IIP	Index of Industrial Production
IMaCS	ICRA Management And Consultancy Services
IPR	Intellectual Property Rights
ISO	International Organisation for Standardization
IT	Information Technology
MMF	Manmade Fibers
PFCE	Private Final Consumption Expenditure
R&D	Research and Development
TRIPS	Trade Related Aspects of Intellectual Property Rights
UK	United Kingdom
US	United States of America
WTO	World Trade Organisation
SITP	Scheme for Integrated Textile Park
Sq. Mtrs.	Square Meters
SSI	Small Scale Industry
T&C	Textile and Clothes Industry
TPA	Tonnes Per Annum
TPD	Tonnes Per Day
TUFS	Technology Upgradation Funds Scheme
TWRFS	Textile Workers Rehabilitation Fund Scheme
DG Sets	Diesel Generator Sets
DFIA	Duty Free Import Authorisation
WPI	Wholesale Price Index

ABBREVIATIONS

ABBREVIATION	FULL FORM
ADR	American Depository Receipt
AGM	Annual General Meeting
AMBI	Association of Merchant Bankers of India
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year

B.A	Bachelor of Arts
BATE	Bid Ask Trade Exception
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
SIDCUL	State Infrastructure & Industrial Development Corporation of Uttarakhand Limited
NSE	National Stock Exchange of India Limited.
CAGR	Compounded Annual Growth Rate
C. A.	Chartered Accountant
CD	Certificate of Deposit
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFR(C & F)	Cost and Freight
C.S.	Company Secretary
DP	Depository Participant
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
EGM / EOGM	Extra Ordinary General Meeting of the shareholders
EPS	Earnings per Equity Share
ESOP	Employee Stock Option Plan
PoY	Partially Oriented Yarn
ETF	Exchange Traded Funds
FCNR Account	Foreign Currency Non Resident Account
FDIC	Federal Deposit Insurance Corporation
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FI	Financial Institutions.
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India
FOREX	Foreign Exchange
FY / Fiscal	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GATT	General Agreement on Tariff & Trade
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GOI/ Government	Government of India
HUF	Hindu Undivided Family
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
FDY	Fully Drawn Yarn
M.B.A.	Master of Business Administration

SME	Small And Medium Enterprises
SENSEX	Sensitivity Index of BSE
M. Com.	Master of Commerce
NAV	Net Asset Value
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PFD	Preferred stock
QTE	Quote
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies	The Registrar of Companies, National Capital Territory of Delhi & Haryana
RONW	Return on Net Worth
UCP	Uniform Customs and Practice for Document Credit
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
VAT	Value Added Tax

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

Notwithstanding the foregoing, terms in “Main Provisions of Articles of Association of our Company”, “Statement of Tax Benefits”, “Key Industrial Regulations and Policies” and “Financial Information” on pages 186, 57, 83 and 118, respectively, shall have the meanings given to such terms in these respective sections.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is extracted from the financial statements of our Company for the fiscal years 2014, 2013, 2012, 2011, 2010 prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled 'Financial Information' on page no 118. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI Regulations. Our fiscal years commence on April 1st and end on March 31st. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this 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 this Draft Prospectus should accordingly be limited.

Currency of Presentation

All references to "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S. \$" or "U.S. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Draft Prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Draft Prospectus, throughout all figures have been expressed in Lacs, except as otherwise stated. The word "Lacs", "Lac", "Lakh" or "Lakh" means "One hundred thousand". Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

Market and Industry Data

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

The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. For additional definitions, please refer the section titled "Definitions and Abbreviations" on page no. 3 of this Draft Prospectus.

FORWARD LOOKING STATEMENTS

We have included statements in this Draft Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward- looking statements”. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business, plans and prospects are also forward-looking statements.

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

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in formulation industry;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in other countries that may adversely affect us (directly or indirectly), the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved. (if any)

For a further discussion of factors that could cause our actual results to differ, see the sections titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page no 13, page no 132 respectively of this Draft Prospectus. 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.

Forward looking statements speak only as of the date of the Draft Prospectus. None of our Company, our Directors, our officers, any Underwriter, or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Lead Manager will ensure that investors in India are informed of material developments until the commencement of listing and trading.

SECTION II

RISK FACTORS

An Investment in equity involves higher degree of risks. Prospective investors should carefully consider the risks described below, in addition to the other information contained in this Draft Prospectus before making any investment decision relating to the Equity Shares. The occurrence of any of the following events could have a material adverse effect on the business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to decline and you may lose all or part of your investment.

Prior to making an investment decision, prospective investors should carefully consider all of the information contained in this Draft Prospectus, including the sections titled "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Financial Information" included in this Draft Prospectus beginning on page no 75, page no 132 and page no. 118 respectively.

Materiality

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

- Some events may not be material individually but may be found material collectively.
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may be having immaterial impact in future.

Note: Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any risks mentioned herein under:

INTERNAL RISK FACTORS

1. Our Company has mortgaged its assets to provide the guarantee in respect of credit facility availed by M/s Him chem. Ltd ("the group company").

We have secured the lenders of the group company by creating charge on all fixed assets of our company (Moveable, immovable & other fixed assets of the company). In the event of default in repayment of the loans availed by M/s Him Chem Limited ("the group company") and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding; please refer to section titled "Financial Information of our Company" on page 118 of this Draft Prospectus.

2. Our registered office from which we operate is not owned by the Company.

Our Company is operating from a rented premise provided by our group company. We may have to shift from this rented premise, causing disruption in our operations or pay increased rentals which will materially affect our business and further results of operation. However we are certain that the terms of rent agreement will be favourable towards us as has been in the past, as it belongs to our Group.

3. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

We employ significant number of employees. We are unable to assure you that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to

strikes, lock - outs or increased wage demands. Such issues could have an adverse effect on our business, and results of operations.

4. **Our success depends on our ability to retain and attract key qualified personnel and, if we are not able to retain them or recruit additional qualified personnel, we may be unable to successfully develop and grow our business.**

We have, over time, built a strong team of experienced professionals on whom we depend to oversee the operations and growth of our business. We believe that our success in the future is substantially dependent on the experience and expertise of, and the longstanding relationships with key talent and other industry participants built by our senior management and key personnel. Any loss of any of our senior management or key personnel or any conflict of interest that may arise for such management or key personnel or the inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of our business and our ability to develop, maintain and expand client relationships, which would have a material adverse effect on our business, results of operations, financial condition and prospects.

5. **We are dependent on our management team for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.**

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

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

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

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

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

8. **The Company has not appointed any independent agency for the appraisal of the proposed Project.**

The Project, for which we intend to use our Issue proceeds as mentioned in the objects of the Issue, has not been appraised by any bank or financial institution. The total cost of Project is our own estimates based on current conditions and are subject to changes in external circumstances or costs. Our estimates for total cost of Project has been based on various quotations received by us from different

suppliers and our internal estimates and which may exceed which may require us to reschedule our Project expenditure and may have an adverse impact on our business, financial condition and results of operations.

9. We have reported negative cash flows in two out of five preceding years. Any negative cash flows in the future would adversely affect our cash flow requirements.

Presently we have, and may in the future, experience negative cash flows. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, refer to the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page no 132 of this Draft Prospectus. The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth.

(Amount in Rs.)

Particulars	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Net Cash flow from Operating Activities	32,096,225	4,562,002	29,361,197	(1,05,43,686)	(12,923,428)
Net Cash flow from Investing Activities	2,854,105	(6,529,442)	(31,714,011)	(9,070,518)	(64,845,160)
Net Cash flow from Financing Activities	(35,623,434)	3,520,295	1,332,263	20,358,628	78,037,432
Net Cash flow from the Year	(673,104)	1,552,855	(1,020,551)	744,424	268,843

10. We have entered into certain related party transactions and may continue to do so.

We have entered into related party transactions with our Promoters, Group Company, Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future. For details of these transactions, please refer to section titled "Related Party Transactions" at page 117 of this Draft Prospectus.

11. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. We have not entered into any definitive agreements to utilise the proceeds of the Issue. Any variation between the estimation and actual expenditure on these projects could result in execution delays or influence our profitability adversely.

The deployment of funds as stated in the "Objects of the Issue" beginning on page 51 of this Draft Prospectus is entirely at the discretion of our management and is not subject to monitoring by any independent agency. All the figures included under the "Objects of the Issue" are based on our own estimates. There has been no independent appraisal of the objects. We have not entered into any definitive agreements to utilize the proceeds of the Issue towards the purposes mentioned in the section titled "Objects of the Issue" on page 51 of this Draft Prospectus.

12. Our Company does not have any marketing tie-up contracts with our dealers/consignment agents and suppliers which may adversely affect our results of operations.

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

13. We are subject to risks arising from exchange and/or interest rate fluctuations.

We have incurred and expect to incur expenditure and earn revenue denominated in foreign currencies in the course of our operations when acquiring or monetizing our content and in respect of overseas market. Any fluctuation of the Indian Rupee against the currency in which we have an exposure may increase the Indian Rupee costs to us of our expenditure or may reduce the revenue to us.

We do not currently use any instruments such as interest rate swaps, options and other derivative instruments for the purposes of mitigating our exposure to interest rate risk. However, this is kept under review, and we may enter into such instruments in the future.

14. We may not regularly be in a position to distribute dividends, and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

If we experience any losses it could adversely affect our results of operations and financial condition. The amount of our future dividend payments, if any, will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividends in the event we incur any losses in the future.

15. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

EXTERNAL RISK FACTORS

1. Natural calamities could have a negative impact on the Indian economy and cause the business of the Company to suffer.

India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. The extent and severity of these natural disasters has an impact on the Indian economy. Any negative impact of natural disasters on the Indian economy could adversely affect the business and the market price of the Equity Shares.

2. A significant change in the central and state governments' economic liberalization and deregulation policies could disrupt our business. A change in taxation laws could also adversely impact our financial condition and results of operations.

Our performance and growth are dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any change in the Government's policies in the future could adversely affect business and economic conditions in India and could also adversely affect our business prospects, financial condition and results of operations. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on our operations.

3. Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as U.S. GAAP and IFRS, with which investors may be more familiar.

Our financial statements are prepared in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles and standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. The significant accounting policies applied in the preparation of our Indian GAAP financial statements are set forth in the notes to our financial statements included in this Draft Prospectus. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisors for an understanding of the differences between these accounting principles and those with which they may be more familiar.

4. Our business and activities may be regulated by the Competition Act, 2002.

The Parliament has enacted the Competition Act, 2002 (the “Competition Act”) for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India under the auspices of the Competition Commission of India (the “CCI”). Under the Competition Act, any arrangement, understanding or action whether formal or informal which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement, which, inter alia, directly or indirectly determines purchase or sale prices, limits or controls production, supply or distribution of goods and services, shares the market or source of production by way of geographical area or number of customers in the market or where parties indulge in bid rigging is presumed to have an appreciable adverse effect on competition. The Competition Act also regulates combinations (i.e., acquisitions, acquiring of control, mergers or amalgamations). On March 1, 2011, the CCI issued new draft combination regulations and on March 4, 2011 the Government of India notified the combination regulation (merger control) provisions under the Competition Act relating to combinations which has been effective since June 1, 2011. Further, regulations governing the procedural and reporting aspects of combination transactions have been notified on June 1, 2011. Any combination which meets the thresholds specified in the Competition Act is required to be notified to the CCI for prior approval.

It is unclear at present as to how the Competition Act and the Competition Commission of India will affect industries in India. If we are affected, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission of India and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on our business prospects, results of operations and financial condition.

5. Any downgrading of India’s debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could adversely affect our business prospects, results of operations and financial condition and the price of our Equity Shares.

6. Current economic conditions may adversely affect our industry, financial position and results of operations.

The global economy is currently undergoing a period of unprecedented volatility, and the future economic environment may continue to be less favorable than that of recent years.

Significant changes and volatility in the consumer environment and in the competitive landscape may make it increasingly difficult for us to predict our future revenues and earnings.

7. The recurrence of systemic events such as the recent global economic meltdown, instability of economic policies and the political situation in India or globally may adversely affect our performance.

Economic conditions outside India, may adversely impact the growth of the Indian economy, and Government policy may change in response to such conditions. Unstable internal and international political environment may impact the economic performance of the aluminum industry, including our Company, in the short and long term. Our business, and the market price and liquidity of our Equity Shares, may be affected by reactionary changes in interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India on account of any changes in the global economic changes. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries. Financial turmoil in Asia, the United States, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. The Indian financial markets experienced the contagion effect of the volatility and turmoil in the global financial markets, which was evident from the sharp decline in the benchmark indices of SENSEX and NIFTY from their peak levels in early 2008 to the first quarter of 2009. As a consequence of the severe tightening of credit associated with that financial turmoil, many economies experienced periods of severe recession accompanied by a significant deterioration of consumer confidence and demand. Additionally, due to the conditions in the global and domestic financial markets, we cannot be certain that we would be able to raise capital, if needed or to the extent required, or that we will be able to undertake our business without any disruptions and we may be unable to implement our growth strategy. Any recurrence of such events may have an adverse effect on our business, financial condition and results of operations as well as the price of our Equity Shares.

RISKS RELATING TO THE EQUITY SHARES

1. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

3. The price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the fire fighting industry, crushing industry, developments relating to India and volatility in

the Exchange and securities markets elsewhere in the world. However, the LM will arrange for compulsory market making for a period of 3 years from the date of listing as per the regulations applicable to the SME Platform under SEBI (ICDR) Regulations, 2009.

4. There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the NSE- Emerge in a timely manner, or at all.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principle approval for listing of shares issued. We have only applied to NSE Limited to use its name as the Stock Exchange in this offer document for listing our shares on the NSE- Emerge. 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 NSE- Emerge. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares

5. 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. However a Designated Market Maker will be appointed for the Equity Shares of our Company. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the section titled "General Information – Details of the Market Making Arrangement for this Issue" on page 37 of this Draft Prospectus.

6. 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 NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The NSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

PROMINENT NOTES:**1) SIZE OF THE ISSUE**

Public Issue of 60,00,000 Equity Shares of Rs. 10/- each ("Equity Shares") for cash at a price of Rs. 33/- per Equity Share aggregating to Rs. 1980.00 Lacs ("the Issue") by ENN TEE INTERNATIONAL LIMITED ("ETIL" or the "Company" or the "Issuer"). Out of the Issue 3,00,000 Equity Shares of Rs. 10 each at a price of Rs. 33 each per Equity Share aggregating to Rs. 99.00 Lacs, which will be reserved for subscription by Market Makers to the issue (the "market maker reservation portion") and Net Issue to the Public of 57,00,000 Equity Shares of Rs. 10 each at a price of Rs. 33/- each per Equity Share aggregating to Rs. 1881 Lacs (hereinafter referred to as the "Net Issue"). The Issue and the Net Issue will constitute 61.87% and 58.77%, respectively, of the post issue paid up Equity Share capital of the Company.

2) The average cost of acquisition of Equity Shares by the Promoters:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Harish Chander	4,73,343	10.00
Harish Trading & Co. (HUF)	49,430	10.00
Smt. Raman	4,17,618	10.00
Bright Polymers Pvt Ltd	1,65,500	10.00
Enn Tee Textiles Pvt Ltd	5,80,000	10.00
Euro Spin Fab Pvt Ltd	4,00,000	10.00

*The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled "Capital Structure" on page no 39.

- 3) Our Net worth as on 31 March, 2014 is 52,803,047 as per Restated Financial Statements.
- 4) The Book Value per share as on March 31, 2014 is Rs. 14.28 as per Restated Financial Statements.
- 5) On June 11, 2014 it was converted to a Public Limited Company under the name of ENN TEE INTERNATIONAL LIMITED.
- 6) Investors may please note that in the event of over subscription, allotment shall be made on proportionate basis in consultation with the NSE Limited, the Designated Stock Exchange. For more information, please refer to "Basis of Allotment" on page no 182 of the Draft Prospectus. 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.
- 7) Investors are advised to refer to the paragraph on "Basis for Issue Price" on page 55 of this Draft Prospectus before making an investment in this Issue.
- 8) No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, key management employee, associate companies, or Group Companies.
- 9) Investors may contact the Lead Manager or the Compliance Officer for any complaint / clarifications / information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.

- 10) Other than as stated in the section titled “Capital Structure” beginning on page no. 39 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
- 11) We have not issued any Equity Shares in the last twelve months.
- 12) Except as disclosed in the sections titled “Our Promoters” or “Our Management” beginning on page no 103 and page no 90 respectively of this Draft Prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
- 13) Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the LM for any complaints pertaining to the Issue. Investors are free to contact the LM for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.
- 14) For transactions in Equity Shares of our Company by the Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the section titled "Capital Structure" on page no 39 of this Draft Prospectus.
- 15) For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "Financial Information" on page no 118 of this Draft Prospectus.
- 16) Except as disclosed in the section titled "Our Promoter Group / Group Companies / Entities" on page no 110, none of our Group Companies have business interest in our Company.
- 17) For interest of Promoters/Directors, please refer to the section titled “Our Promoters” beginning on page no 103 of this Draft Prospectus.
- 18) The details of transactions with the Group Companies/Group Enterprises and other related party transactions are disclosed as Annexure 13 on page no. 131 of restated financial statement under the section titled “Financial Information” on page no 118 of the Draft Prospectus.

SECTION III INTRODUCTION

SUMMARY

OVERVIEW OF THE TEXTILE INDUSTRY

ABSTRACT

The Textile Sector in India ranks next to Agriculture. Textile is one of India's oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

Textile Industry is providing one of the most basic needs of people and holds the importance; maintaining sustained growth for improving quality of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing; it is a major contribution to the country's economy. This paper deals with structure, growth and size of the Indian textile industry, role of textile industry in economy, key advantages of the industry, textile industry export and global scenario and strength, weakness, opportunities and treats of the Indian textile industry.

INDUSTRY PROFILE

❖ TEXTILE INDUSTRY HIGHLIGHTS

- Largest Gross and Net foreign exchange earner
- 30% of the total Export earnings with practically no import content (cotton yarn contributing 13%)
- 14 % of the Industrial Production
- 7% of GDP
- Direct employment to nearly 3 Crore (30 million) of people.
- 10% of excise revenue

❖ PROFILE OF INDIAN TEXTILE INDUSTRY

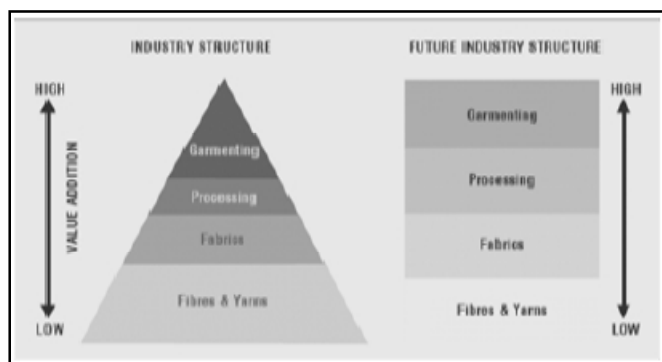
ORGANIZED SECTOR	INSTALLED CAPACITY
No. of Mills	1875
No. of spindles	36 mn spindles
OE spinning	3,79,579 rotors
Looms	1,19,033 (mill sector)

❖ SSI SECTOR

ORGANIZED SECTOR	INSTALLED CAPACITY
No. of Mills	861
Ring spinning	1.65 mnspdl
OE spinning	37,702 rotors

Source: http://www.cottonindia.com/cottonkings/Cotton_info/IndianTextile.asp

INDIAN TEXTILE INDUSTRY STRUCTURE AND GROWTH

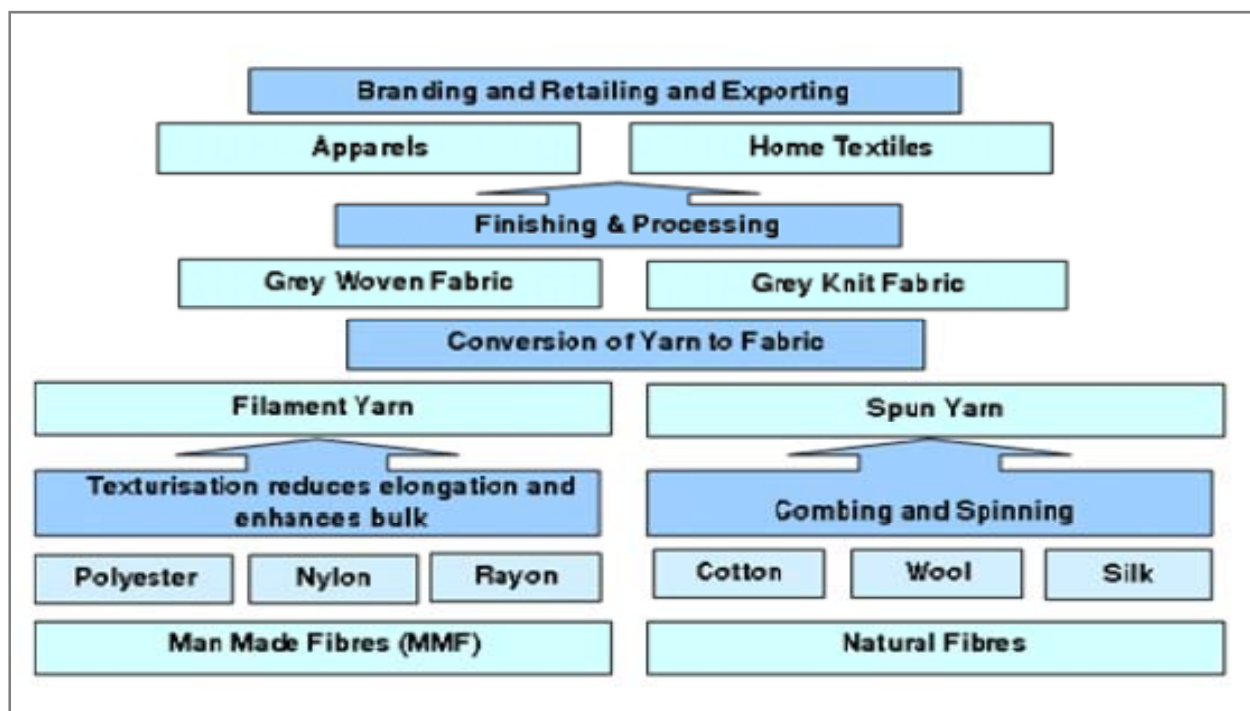


The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14% to industrial production, 7% to the GDP, and 31% to the country's export earnings. The Textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on

the improvement of the economy of the nation.

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

The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country. The major sub-sectors that comprise the textiles sector include the organized Cotton/Man-Made Fibre Textiles Mill Industry, the Man-Made Fibre/Filament Yarn Industry, the Wool and woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.



STRUCTURE OF INDIA'S TEXTILE INDUSTRY

Unlike other major textile-producing countries, India's textile industry is comprised mostly of small-scale, nonintegrated spinning, weaving, finishing, and apparel-making enterprises. This unique industry structure is primarily a legacy of government policies that have promoted labor-intensive, small-scale operations and discriminated against larger scale firms:

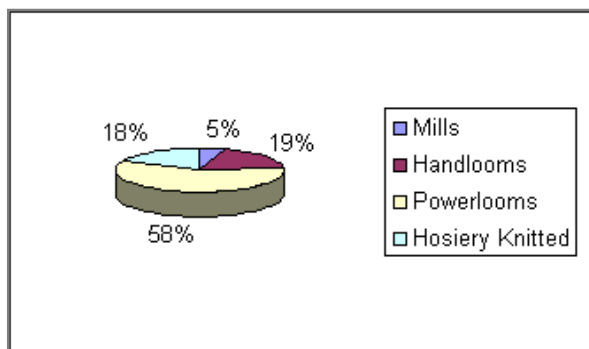
- **Composite Mills.** Relatively large-scale mills that integrate spinning, weaving and, sometimes, fabric finishing are common in other major textile-producing countries. In India, however, these types of mills now account for about only 3 percent of output in the textile sector. About 276 composite mills are now operating in India, most owned by the public sector and many deemed financially "sick."
- **Spinning.** Spinning is the process of converting cotton or manmade fiber into yarn to be used for weaving and knitting. Largely due to deregulation beginning in the mid-1980s, spinning is the most consolidated and technically efficient sector in India's textile industry. Average plant size remains small, however, and technology outdated, relative to other major producers. In 2002/03, India's spinning sector consisted of about 1,146 small-scale independent firms and 1,599 larger scale independent units.
- **Weaving and Knitting.** Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labor-intensive. This sector consists of about 3.9 million handlooms, 380,000 "power loom" enterprises that operate about 1.7 million looms, and just 137,000 looms in the various composite mills. "Power looms" are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. Modern shuttle less looms account for less than 1% of total loom capacity.
- **Fabric Finishing.** Fabric finishing (also referred to as processing), which includes dyeing, printing, and other cloth preparation prior to the manufacture of clothing, is also dominated by a large number of independent, small scale enterprises. Overall, about 2,300 processors are operating in India, including about 2,100 independent units and 200 units that are integrated with spinning, weaving, or knitting units.
- **Clothing.** Apparel is produced by about 77,000 small-scale units classified as domestic manufacturers, manufacturer exporters, and fabricators (subcontractors).

INDIAN TEXTILE INDUSTRY

Trends in Textiles Production

Category	Sub Category	Rate of Growth in (%)	
		December, 2013	FY 2013 – 14 (April – December 2013)
Fibre	Man-made fibre	6	4
Yarn	Filament Yarn	0	-7
	Cotton yarn	6	10
	Blended & 100% non- cotton yarn	5	8
Cloth Production	Mill sector	4	6
	Handloom	3	4
	Power loom	-7	-3
	Hosiery	11	13
	Total Cloth Production	-1	2

Fig .SECTORWISE SHARE OF CLOTH PRODUCTION



In December 2013 cloth production under power loom sector declined by 7%.

Production of filament yarn remained same during the month. All the other sub-sectors have shown positive growth ranging from 3% to 11%. Total cloth production has decreased by 1%. During FY 2013 – 14 (April – December 2013) filament yarn and cloth production by power loom sector has shown decrease in production by 7%, and 3% respectively. All the other sub-sectors have shown positive growth ranging from 4% to 13%. Total cloth production has increased by 2% during the period.

YARN PRICE:

- The percentage change in yarn prices of following categories in January 2014 in comparison to January 2013 is as follows:

Category of Yarn	Change (%)
Cotton Hank Yarn	9.2
Cone Yarn	4.3
Hosiery Yarn	10.9
PSF	11.2
PFY (126D)	4.3
Textures Yarn	-1.4
Imported merino/wool	-10.5

- The yarn prices of all categories increased ranging from 4.3% to 11.2%, except the price of textures yarn and imported merino/wool which showed a decrease of 1.4% and 10.5% respectively during January 2014 in comparison to the prices of January 2013.

SWOT ANALYSIS

Strengths

- Experienced Management Team
- Cordial relations with customers

Weakness

- Rapid changes in fashion and textile industry
- Working capital intensive

Opportunities

- Large Potential.
- Emerging retail industry and Malls provide huge opportunities for apparel and other segments.

Threats

- Competition from other developing countries especially from China
- Rising prices of materials
- Formation of cartels
- Any change or shift of focus of Government policies may adversely impact our financials

BUSINESS OVERVIEW

OVERVIEW

Our Company was incorporated on February 15, 1999 as a Private Limited Company under the name Enn Tee International Private Limited and became a public limited with effect from 11th June 2014.

Our company was founded by Late Shri Nanak Chand and Shri Harish Chander as a yarn and fabric trading concern. The company commenced commercial production in 1999 and is engaged in the manufacturing of polyester textures filament yarn.

The promoters are in the line of activity since last 33 years.

Currently, our company is engaged in the business of manufacturing of Polypropylene Multifilament Yarn under the brand name of “MINKLENE”. The project capacity is App. 3250 TPA, and further enhancing the production to 5000 TPA approx in polyester and carpet yarn. We have already introduced PP Crimp Yarn in 40 colors which are well appreciated in the market.

Our Product Range

We are a man made synthetic yarn manufacturing company in polypropylene varieties of polymers like polypropylene in all colors and denier range with qualities like crimp yarn, textured yarn, crimp twisted yarn, POY, FDY, HE HOY, FDY TW, POY TW, HE TW, HOY TW. Twisted for various textile applications such as socks, undergarments, Tapes, Belt, Dorries, Chord, Crochets, Laces, Stitching, Bag closing, Fishing Nets, Ropes and Twines, /embroidery Threads, Carpets, Upholstery, Zipper, Malaidori and many more etc.

Location of manufacturing facilities

We operate from the following plants/premises:

Type of Facility	Location	Major Product
Manufacturing Unit	Plot No.9, Sector-3, IIE, SIDCUL, Haridwar, Pin – 249 403 (Uttarakhand)	Polypropylene Multifilament Yarn under the brand name of “MINKLENE”
Registered Office	A-64/1, G.T. Karnal Road Industrial Area, Delhi-110 033.(INDIA)	--

OUR COMPETITIVE STRENGTHS

✓ Quality

Our Company has always believed in the best quality in our processes and products. Our Company is dedicated towards quality of our products, processes and inputs. We adhere to quality standards as prescribed by our customers.

✓ Experienced management team

Our Company is managed by a team of competent personnel having knowledge of core aspects of material, and marketing. Our promoter have the required experience in this field and, along with our Key Managerial Persons have helped us to have long term relations with our customers and has also facilitated us to entrench with new customers. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

Our Business Strategy

I. Maintain and Expand Long-term Relationships with Clients

Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It helps understanding the basic requirement of Our Company and its market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/market closely. Our existing clientele is an example of our long-term client relationships.

II. Enhancing our existing customer base

Our Company intends to grow in the business continuously by adding new customers. We are also exploring the international markets for exports of our existing products line which is intended to be of superior quality from the proposed project.

III. Competitive Pricing

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

OUR MAJOR PRODUCTS

PRODUCT NAME	PRODUCT SPECIFICATIONS
Polypropylene Crimp Yarns	❖ 120/2 (LT), 120/1 (Single), 120/2 (Twisted) ❖ 120/2 (Heider Mixture) in 40 colors.
Polypropylene High Tenacity FDY Yarns	❖ 210, 400, 600, 840, 1000 & 1200 Denier Flat ❖ Twisted in Grey & Dope Dyed.
Polyester High Bulk Carpet yarn	❖ High bulk carpet yarn 1200*2P

SUMMARY OF FINANCIAL DATA
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Assets					
Fixed Assets-Gross Block	143,985,474	147,396,919	125,692,356	107,943,912	99,137,342
Less: Depreciation	41,705,099	35,717,089	27,149,037	14,221,690	9,742,167
Net Block	102,280,375	111,679,830	98,543,319	93,722,222	89,395,175
Less: Revaluation Reserve	-	-	-	-	-
Net Block after adjustment for	102,280,375	111,679,830	98,543,319	93,722,222	89,395,175
Revaluation Reserve	-	-	-	-	-
Capital Work in Progress	-	-	15,175,121	1,209,554	2,073,246
Total (A)	102,280,375	111,679,830	113,718,440	94,931,776	91,468,421
Investments					
Investment in Shares	2,820,000	2,820,000	2,820,000	2,820,000	2,820,000
Total Investments (B)	2,820,000	2,820,000	2,820,000	2,820,000	2,820,000
Current Assets, Loans and Advances					
Receivables	71,329,554	67,176,871	34,500,793	26,471,586	9,641,243
Inventories	51,003,182	72,918,593	39,610,630	21,960,066	18,585,393
Cash & Bank Balances	1,364,778	2,037,882	485,027	1,505,578	761,154
Short Term Loans & Advances	6,899,770	5,048,685	1,233,978	6,373,548	937,658
Other Assets	273,370	238,879	-	-	-
Total Current Assets (C)	130,870,654	147,420,910	75,830,428	56,310,778	29,925,448
Long Term Loans & Advances					
Long Term Loans & Advances (D)	969,2482	8,329,769	8,121,231	5,373,390	3,976,635
Total Assets (E) = (A) + (B) + © +(D)	245,663,511	270,250,509	200,490,099	159,435,944	128,190,504
Liabilities & Provisions					
Loan Funds :					
Secured Loans	93,204,489	108,010,815	88,304,976	94,014,029	65,456,397
Unsecured Loans	18,000,000	18,500,000	28,500,000	9,930,801	13,430,801
Non Current Security Deposits	12,500,000	12,250,000			
Share Application Money	-	50,000	2,050,000	18,000,000	13,000,000
Current Liabilities & Provisions:					
Current Liabilities	63,885,197	78,817,205	30,409,752	13,863,125	16,065,377
Provisions	5,270,778	3,830,669	5,018,123	3,218,569	3,002,882
Total Liabilities & Provisions (F)	192,860,464	221,458,689	154,282,851	139,026,524	110,955,457
Net Worth (E) - (F)	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047
Represented By:					
Share Capital	36,973,910	36,973,910	34,973,910	16,973,910	16,973,910
Reserves & Surplus	15,829,137	11,817,910	11,233,338	3,435,510	261,137
Less: Revaluation Reserve					
Less: Preliminary / Miscellaneous	-	-	-		
Expenses to the extent not written off					
Reserves (Net of Revaluation Reserve)					
Total Net Worth	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047

Notes: The accompanying Significant Accounting Policy and Notes to the Restated Financial Information are an integral part of this Restated Statement of Assets & Liabilities.

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(In Rupees)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Income					
Income from Operations:					
Sale of goods	487,991,786	671,782,248	364,922,221	263,408,726	58,618,537
Other Income	727,192	1,141,595	1,340,238	3,267,882	433,754
Total	488,718,978	672,923,843	366,262,459	266,676,608	59,052,291
Expenditure					
Cost of goods purchased	369,804,244	592,115,383	282,966,292	212,797,620	58,639,811
Changes in inventory	17,918,530	(31,501,662)	(5,159,387)	3,707,619	(11,654,567)
Employees Costs	14,803,384	18,051,217	7,573,529	642,652	1,652,988
Other Operative Expenses	54,000,890	65,634,197	46,315,494	32,347,956	7,990,174
Total	456,527,048	644,299,135	331,695,928	249,495,847	56,628,406
Profit before Depreciation, Interest and Tax	32,191,930	28,624,708	34,566,531	17,180,761	2,423,885
Depreciation	6,590,521	8,568,052	12,927,347	4,556,968	2,059,633
Profit before Interest & Tax	25,601,409	20,056,656	21,639,184	12,623,793	364,252
Interest & Finance Charges	20,517,108	18,435,544	13,577,883	9,699,004	1,619,766
Net Profit before Tax	5,084,301	1,621,112	8,061,301	2,924,789	(1,255,514)
Less: Provision for Taxes:					
Current Tax	292,876	251,092	-	-	-
Deferred Tax	780,198	785,448	263,473	(249,584)	2,681,417
Net Profit After Tax & Before Extraordinary Items	4,011,227	584,572	7,797,828	3,174,373	(3,936,931)
Extra Ordinary Items (Net of Tax)					
Net Profit	4,011,227	584,572	7,797,828	3,174,373	(3,936,931)

STATEMENT OF CASH FLOW, AS RESTATED

(In Rupees)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before tax	5,084,301	1,621,112	8,061,301	2,924,789	(1,255,514)
Adjustment for:					
Add: Depreciation	6,590,521	8,568,052	12,927,347	4,556,968	2,059,633
Add: Preliminary Expenses					
Add: Interest expenses	20,517,108	18,435,544	13,577,883	9,699,004	1,619,766
Add: (Profit) /Loss on Sale of Fixed Assets	(45,171)	-	-	1,050,195	584,222
Less: Interest Income					
Operating Profit before Working capital changes	32,146,759	28,624,708	34,566,531	18,230,956	3,008,107
Adjustments for:					
Decrease (Increase) in Trade & Other Receivables	(4,152,683)	(32,676,078)	(8,029,207)	(16,830,343)	(6,620,691)
Decrease (Increase) in Inventory	21,915,411	(33,307,963)	(17,650,564)	(3,374,673)	(18,569,799)
Decrease (Increase) in Short Term Loans & Advances	(1,851,085)	(3,814,707)	5,139,570	(5,435,890)	3,361,333
Decrease (Increase) in Long Term Loans & Advances	(1,362,713)	(208,538)	(2,747,841)	(1,396,755)	(3,976,635)
Decrease (Increase) in Other Assets	(34,491)	(238,879)			
Increase (Decrease) in Current Liabilities	(14,932,008)	48,407,453	16,546,627	(2,202,252)	9,634,257
Net Changes in Working Capital	(417,569)	(21,838,712)	(6,741,415)	(29,239,913)	(16,171,535)
Cash Generated from Operations	31,729,190	6,785,996	27,825,116	(11,008,957)	(13,163,428)
Taxes (paid) / refund	340,726	2,432,532	-	-	-
Adj for MAT	707,761	208,538	1,536,081	465,271	240,000
Net Cash Flow from Operating Activities (A)	32,096,225	4,562,002	29,361,197	(10,543,686)	(12,923,428)
CASH FLOW FROM INVESTING ACTIVITIES					
Sale /(Purchase) of Fixed Assets	2,854,105	(6,529,442)	(31,714,011)	(9,070,518)	(64,845,160)
Sale /(Purchase) of Shares	-	-	-	-	-
Net Cash Flow from Investing Activities (B)	2,854,105	(6,529,442)	(31,714,011)	(9,070,518)	(64,845,160)
CASH FLOW FROM FINANCING ACTIVITIES					
Issue of share capital and Proceeds / (Refund) from Share Application Money	(50,000)	-	2,050,000	5,000,000	8,950,000
Interest paid	(20,517,108)	(18,435,544)	(13,577,883)	(9,699,004)	(1,619,766)
Interest Received					
Increase / (Repayment) of Secured/unsecured loans	(15,306,326)	9,705,839	12,860,146	25,057,632	70,707,198
Increase Decrease in Secuirty Deposit	250,000	12,250,000			
Net Cash Flow from Financing Activities ©	(35,623,434)	3,520,295	1,332,263	20,358,628	78,037,432
Net Increase / (Decrease) in Cash & Cash Equivalents	(673,104)	1,552,855	(1,020,551)	744,424	268,843
Cash and cash equivalents at the beginning of the year / Period	2037882	485027	1505578	761154	492,311
Cash and cash equivalents at the end of the year/ Period	1364778	2037882	485027	1505578	761,154

ISSUE DETAILS IN BRIEF

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<u>Equity Shares Offered:</u> Fresh Issue of Equity Shares by our Company	Issue of 60,00,000 Equity Shares of Rs. 10 each at a price of Rs. 33 per Equity Share aggregating Rs. 1980.00 Lacs.
<u>Of which:</u>	
Issue Reserved for the Market Makers	3,00,000 Equity Shares of Rs. 10/- each at a price of Rs. 33 per Equity Share aggregating Rs.99.00 Lacs.
Net Issue to the Public	57,00,000 Equity Shares of Rs. 10 each at a price of Rs. 33 per Equity Share aggregating Rs. 1881.00 Lacs.
Non Retail Portion#	Not more than 28,50,000 Equity Shares of Rs. 10 each aggregating Rs.285.00 Lacs constituting upto 50% of the Net Issue to the Public*
Retail Portion#	Not less than 28,50,000 Equity Shares of Rs.10 each aggregating Rs. 285.00 Lacs, constituting not less than 50% of the Net Issue to the Public **
Equity Shares outstanding prior to the Issue	36,97,391 Equity Shares of face value of Rs. 10 Each.
Equity Shares outstanding after the Issue	96,97,391 Equity Shares of face value of Rs. 10 Each.
Objects of the Issue	Please refer section titled “Objects of the Issue” on page no 51 of this Draft Prospectus.

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 “Issue Structure” on page no 157 of this Draft Prospectus.

Note:

This Issue has been authorised by a resolution of our Board dated September 01, 2014 and by a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013, at the EGM of the shareholders of our Company held on September 23, 2014;

** In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid applications received at the Issue Price;*

*** In the event the Retail Individual Applicants are entitled to more than fifty percent on proportionate basis the Retail Individual Applicants shall be allocated that higher percentage.*

Under-subscription, if any, in any category, shall be allowed to be met with spillover from the other category, at the sole discretion of our Company and in consultation with the Lead Manager and the Designated Stock Exchange.

GENERAL INFORMATION

ENN TEE INTERNATIONAL LIMITED

Our Company was incorporated in Delhi as “Enn Tee International Private Limited” on February 15, 1999 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. On June 11, 2014 it was converted to a Public Limited Company under the name of Enn Tee International Limited and fresh Certificate of Incorporation consequent upon change of name was issued by ROC, Delhi & Haryana.

Company Registration Number	098394
Company Identification Number	U18101DL1999PLC098394

REGISTERED OFFICE & CORPORATE OFFICE:

A-64/1, GT Karnal Road, Industrial Area
New Delhi-110033
Tel: 91-11-27246642
Fax: 91-11-47063624
Website: www.enntee.com
E-Mail: admin@enntee.com

PLANT/ UNIT:

Plot: 9, Sector- 3,
Integrated Industrial Estate, SIDCUL,
Haridwar- 249403 (Uttarakhand)
Tel: +91-1334- 231326
Fax: +91-1334-231325

ADDRESS OF REGISTRAR OF COMPANIES, DELHI & NCR

4th Floor, IFCI Tower,
61, Nehru Place, New Delhi- 110019
Tel: 011-26235707, 26235708, 26235709
Fax: 011-26235702
Email: roc.delhi@mca.gov.in

DESIGNATED STOCK EXCHANGE: NSE Limited

LISTING OF SHARES OFFERED IN THIS ISSUE: Emerge of NSE Limited.

For details in relation to the changes to the name of our Company, please refer to the section titled “Our History and Corporate Structure” beginning on 87 of this Draft Prospectus.

BOARD OF DIRECTORS

Our Board of Directors comprise of the following members:

Sr. No.	Name of Directors	Designation	Nature of Directorship	Director's Identification Number (DIN)
1	Mr. Harish Chander	Director	Executive and Non- Independent	00072497
2	Ms. Mansi Aggi	Mg. Director	Executive and Non- Independent	06556215
3	Mr. ChetanVig	Independent Director	Non-Executive and Independent	06937496
4.	Mr. Vivek Malik	Independent Director	Non-Executive and Independent	06971258

For further details of Management of our Company, please refer to section titled "Our Management" on page no 90 of this Draft Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Name: Mr. Kuldeep Dahiya

Tel: 91-11-27246642,

Fax: 91-11-47063624

Website: www.enntee.com

E-Mail: admin@enntee.com

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

STATUTORY AUDITORS

Raj M S Gupta & Co.; Chartered Accountants

210, Shivlok House – II

Karampura Commercial Complex,

New Delhi- 110015

Telephone: +91-11-25920481

Contact Person: R.K Gupta

Firm Registration No.: 023745N

PEER REVIEW AUDITORS

M/s. G C Agarwal & Associates, Chartered Accountants

240 Ghalib Apartments

Parwana Road, Pitampura

Delhi 110034

Telephone: +91 11 27010306,

Contact Person: G C Agarwal

Firm Regn No.: 017851N

LEAD MANAGER

Mefcom Capital Markets Limited

5th Floor, Sanchi Building,

77, Nehru Place,

New Delhi-110019

Tel: 011-46500500
Fax: 011-46500550
Email: anand@mefcom.in
Website: www.mefcom.in
Contact Person: Mr. Anand Srivastava
SEBI Regn. No: INM 000000016

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

All grievances relating to the Issue may be addressed to the Registrar, giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount paid on submission of the Application Form and the bank branch or collection centre where the Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar with a copy to the relevant SCSB giving full details such as name, address of applicant, application number, number of Equity Shares applied for, amount blocked on application and Designated Branch or the collection centre of the SCSBs.

LEGAL ADVISORS TO THE ISSUE

Maxret Advisors

B-54, HUDA Market, Sector-37, Faridabad-121003
Tel: + 91 -129-4174743
Contact Person: Mr. Rushil
Email: maxretadvisors@gmail.com

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E-2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (E), Mumbai-400072.
Tel: +9122-28470652, +9122-40430200
Fax: +9122- 2847 5207
SEBI Registration No.:INR000001385
Website: www.bigshareonline.com
Contact Person: Mr. Y.K Singhal
Email: yksinghal@bigshareonline.com

BANKERS TO THE COMPANY:

State Bank of Bikaner and Jaipur

Kankhal Road, Arya Nagar, Jwalapur, Haridwar- 249407
Contact Person: Mr. Nand Lal Kedia
Tel: +91 1334 251548

BANKER TO THE ISSUE AND ESCROW COLLECTION BANKS

[●] (To be appointed prior to filling of Prospectus with ROC)

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in/pmd/scsb.html>. For details on designated branches of SCSBs collecting the ASBA Application Form, please refer to the SEBI Website- www.sebi.gov.in.

Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Investors who comply with the conditions for being an ASBA Investor shall mandatorily make use of ASBA facility. The Equity Shareholders are required to fill the Application Form and submit the same to their SCSB which in turn will block the amount as per the authority contained in the Application Form and undertake other tasks as per the specified procedure.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013; it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB/s. Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

REFUND BANKER

[●] (To be appointed prior to filling of Prospectus with ROC)

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES:

Since Mefcom Capital Markets Limited is the sole Lead Manager to this Issue, statement of inter-se allocation responsibilities among Lead Manager's is not applicable: However the responsibilities of Lead Manager include:

Sl. No.	Activities
1	Capital structuring with the relative components and formalities such as type of instruments, etc.
2	Due diligence of the Company's operations/management/ business plans/legal, etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Prospectus. The Lead Manager shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock exchange(s), RoC and SEBI including finalization of the Prospectus and filing with the RoC.
3	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.
4	Appointment of registrar and grading agencies to the Issue.
5	Appointment of all other intermediaries including bankers to the Issue, printers, advertising agency etc.
6	Preparation of road show presentation.
7	Institutional Marketing of the Offer <ul style="list-style-type: none"> Finalise the list and division of investors for one to one meetings; and Finalising the international and domestic institutional road show schedule and investor meeting schedules.
8	Retail / Non-Institutional marketing strategy which will cover, inter alia, <ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget; Finalising media, marketing and public relations strategy; Finalising centers for holding conferences for brokers, etc.; Finalising collection centers; and Follow-up on distribution of publicity and issue material including form, prospectus and deciding on the quantum of the issue material.
9	Coordination with Stock Exchange.
10	Management of Escrow Account(s), Finalizing Allocation.
11	Post application activities including coordination for non- institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Applicants, etc. The post issue activities of the issue will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Issue, Banker to the Issue and the bank handling refund business. The Lead Manager shall be responsible for ensuring that these agencies fulfill their

	functions and enable them to discharge the responsibility through suitable agreements with the Issuer Company.
--	--

CREDIT RATING

As the Issue is of Equity shares, credit rating is not mandatory.

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

IPO GRADING

This Issue has been graded by CRISIL Limited and has been assigned “[●]”, indicating that the fundamentals of our Company is superior compared to other SMEs in India through its report dated [●]. The IPO grading is assigned on a five point scale from 1 to 5 with an “SME 5/ 5” indicating excellent fundamentals and an “SME 1/5” indicating poor fundamentals. The Grading Report has been annexed to this Draft Prospectus.

BROKERS TO THE ISSUE

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

In terms of SEBI circular No. CIR/CFD/14/2012 dated October 4, 2012, Applicants can submit Application Forms in electronic form using the stock broker network of the Stock Exchange, i.e., through Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and email address, is provided on the websites of the NSE.

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 500.00 Crores. Since the Issue size is only of Rs. 1980Lacs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with NSE upon listing of the equity shares and the corporate governance requirements, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Mefcom Capital Markets Limited is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager’s is not required.

EXPERT OPINION

Except the report of the Statutory Auditor of our Company on the financial statements and statement of tax benefits included in the Draft Prospectus and the report of dated [●] provided by CRISIL Limited in respect of the IPO grading of this Issue, our Company has not obtained any other expert opinion.

ISSUE PROGRAMME

ISSUE OPENS ON	[●]
ISSUE CLOSSES ON	[●]

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated [●]. 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:

Name and Address of the Underwriters	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lacs)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager has to underwrite to a minimum extent of 15 % of the Issue out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned 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

[●] will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI Regulations.

Name	[●]
Address	[●]
Telephone No.	[●]
Fax No.	[●]
E-mail	[●]
Contact Person	[●]
SEBI Registration No.	[●]
Market Maker Registration No.	[●]

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI Regulations and its amendments from time to time and the circulars issued by the NSE 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 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. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock 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 INR 1,00,000. However, the investors with holdings of value less than INR 1,00,000 shall be allowed to offer their holding to the Market Maker in the 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 for the quotes given by it.

4. There would not be more than five Market Makers at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
5. In terms of SEBI circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, the market maker shall be exempt from providing buy quote on attaining the specified threshold limits. Further, the market maker can offer buy quotes only after it complies with re-entry threshold limits. However, this exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

In case of termination of services of the above mentioned Market Maker prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers 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 Regulations. Further our Company and the Lead Managers reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding five or as specified by the relevant laws and regulations applicable at that particular point of time.

CAPITAL STRUCTURE

The share capital of the Company as on the date of this Draft Prospectus, before and after the Issue, is set forth below:

(Rs. in Lacs, except share data)

S. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A	Authorized Share Capital		
	1,00,00,000 Equity Shares of face value of Rs.10 each	1000.00	
B	Issued, subscribed and paid-up Equity Share Capital before the Issue		
	36,97,391 Equity Shares of face value of Rs. 10 each	369.73	---
C	Present Issue in terms of the Draft Prospectus		
	Issue of 60,00,000 Equity Shares of Rs. 10 each at a price of Rs.33 per Equity Share.	600.00	1980.00
	Which comprises		
D	3,00,000 Equity Shares of Rs. 10/- each at a price of Rs. 33 per Equity Share reserved as Market Maker Portion	30.00	99.00
	Net Issue to Public of 57,00,000 Equity Shares of Rs. 10/- each at a price of Rs.33 per Equity Share to the Public	570.00	1881.00
	Of which		
	28,50,000 Equity Shares of Rs.10/- each at a price of Rs. 33 per Equity Share will be available for allocation for Investors of up to Rs. 2.00 Lacs	285.00	940.50
	28,50,000 Equity Shares of Rs. 10/- each at a price of Rs. 33 per Equity Share will be available for allocation for Investors of above Rs. 2.00 Lacs	285.00	940.50
E	Equity capital after the Issue		
	96,97,391 Equity Shares of Rs. 10 each	969.73	---
F	Securities Premium Account Before the Issue		--
	After the Issue		1380.00

*This Issue has been authorized by the Board of Directors pursuant to a board resolution September 01, 2014 and by the shareholders of our Company pursuant to a special resolution dated September 23, 2014 passed at the EGM of shareholders under section 62 (1) (c) of the Companies Act 2013.

Our Company has no outstanding convertible instruments as on the date of the Draft Prospectus.

DETAILS OF THE INCREASE IN AUTHORISED CAPITAL SINCE INCEPTION ARE AS FOLLOWS:

Sr. No.	Particulars Of Change		Date of Shareholder's Meeting	Meeting AGM/EGM
	From	To		
1	On incorporation 10,00,000 Equity Shares of Rs. 10 each.	-	-	Incorporation
2	10,00,000 Equity shares of Rs. 10 each.	25,00,000 Equity Shares of Rs. 10 each.	1 st February, 2000	EGM
3	25,00,000 Equity Shares of Rs. 10 each.	40,00,000 Equity Shares of Rs. 10 each.	9 th March, 2010	EGM
4	40,00,000 Equity Shares of Rs. 10 each.	1,00,00,000 Equity Shares of Rs. 10 each.	14 th March, 2014	EGM

NOTES FORMING PART OF CAPITAL STRUCTURE

1. Equity Share capital history of our Company

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (Rs)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (Rs.)	Cumulative share premium (Rs.)
15.02.1999	7,000	10	10	Cash	Subscription to MOA	7,000	70,000	NIL
10.03.1999	1,40,782	10	10	Other than Cash	Preferential Allotment	1,47,782	14,77,820	NIL
15.03.1999	10,500	10	10	Cash	Preferential Allotment	1,58,282	15,82,820	NIL
30.06.1999	2,68,109	10	10	Cash	Preferential Allotment	4,26,391	42,63,910	NIL
24.03.2000	10,31,000	10	10	Cash	Preferential Allotment	14,57,391	1,45,73,910	NIL
29.03.2000	80,000	10	10	Cash	Preferential Allotment	15,37,391	1,53,73,910	NIL
31.03.2002	1,60,000	10	10	Cash	Preferential Allotment	16,97,391	1,69,73,910	NIL
02.11.2011	18,00,000	10	10	Cash	Preferential Allotment	34,97,391	3,49,73,910	NIL
15.10.2012	2,00,000	10	10	Cash	Preferential Allotment	36,97,391	3,69,73,910	NIL

- We have issued 1,40,782 Equity Shares of Rs 10/- each fully paid up for consideration other than cash to the partners of the firm in their capital ratio for the takeover of Shakti Exports as mentioned in the main objects of our Company.
- We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956.

4. Issue of Equity Shares in the last one (1) year:

We have not issued any Equity Shares in the preceding one year.

5. Shareholding of our Promoters:

Set forth below are the details of the build-up of shareholding of our Promoters:

1. Mr. Harish Chander							
Date of Allotment/ Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition /Transfer price (Rs.)	Nature of Transaction	Pre- issue share holding %	Post- issue share holding %
20.3.2012	Cash	364843	10	10	Transfer		
15.04.2002	Cash	80000	10	10	Transfer		
24.03.2000	Cash	18,500	10	10	Purchase		
30.06.1999	Cash	9,000	10	10	Purchase		
15.02.1999	Cash	1,000	10	10	Purchase		
Total		4,73,343				12.80%	4.88%

2. Smt. Raman

Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue share holding %	Post-issue share holding%
15.11.2009	Cash	1,59,500	10	10	Transfer		
15.04.2002	Cash	1,00,000	10	10	Transfer		
24.03.2000	Cash	34,000	10	10	Purchase		
30.06.1999	Cash	1,00,000	10	10	Purchase		
10.03.1999	Other than cash	23,118	10	10	Consideration		
15.02.1999	Cash	1,000	10	10	Purchase		
Total		4,17,618				11.29%	4.31%

3. M/s Harish Trading Co. (HUF)

Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue share holding %	Post-issue share holding%
10.03.1999	Other than cash	48,430	10	10	Consideration		
15.02.1999	Cash	1,000	10	10	Purchase		
Total		49,430				1.34%	0.51%

4. M/s Bright Polymers Pvt. Ltd

Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue share holding %	Post-issue share holding%
24.03.2000	Cash	1,00,000	10	10	Purchase		
28.03.2014	Cash	7,500	10	10	Transfer		
28.03.2014	Cash	15,000	10	10	Transfer		
28.03.2014	Cash	10,000	10	10	Transfer		
28.03.2014	Cash	23,000	10	10	Transfer		
28.03.2014	Cash	10,000	10	10	Transfer		
Total		1,65,500				4.47%	1.70%

5. M/s Euro Spin Fab Pvt. Ltd

Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue share holding %	Post-issue share holding%
02.11.2011	Cash	4,00,000	10	10	Purchase		
Total		4,00,000				10.81%	4.12%

6. M/s Enn Tee Textiles Pvt. Ltd							
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue share holding %	Post-issue share holding%
02.11.2011	Cash	5,80,000	10	10	Purchase		
Total		5,80,000				15.68%	5.98%

6. Details of Promoters' contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as promoters' contribution ("Promoters Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoters Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

Name of Promoter	No. of shares locked in	Date of Allotment/ Acquisition/ Transfer	Nature of Acquisition (Allotment/ Transfer)	Issue Price / Purchase Price / Transfer Price (Rs. per share)	% of Pre-Issue Paid up Equity capital	% of Post-Issue Paid up Equity capital	Lock in period
Mr. Harish Chander	3,64,843	20.03.2012	Transfer	10			3 years
	80,000	15.04.2002	Transfer	10			
	18,500	24.03.2000	Purchase	10			
	9,000	30.06.1999	Purchase	10			
	1,000	15.02.1999	Purchase	10			
Total	4,73,343				12.80%	4.88%	
Mrs. Raman	1,59,500	15.11.2009	Transfer	10			3 Years
	1,00,000	15.04.2002	Transfer	10			
	34,000	24.03.2000	Purchase	10			
	1,00,000	30.06.1999	Purchase	10			
	23,118	10.03.1999	Consideration	10			
	1,000	15.02.1999	Purchase	10			
Total	4,17,618				11.29%	4.30%	
M/s Harish Trading Co. (HUF)	48,430	10.03.1999	Consideration	10			3 Years
	1,000	15.02.1999	Purchase	10			
Total	49,430				1.34%	0.51%	
M/s Bright Polymers Pvt. Ltd	1,00,000	24.03.2000	Purchase	10			3 Years
	7,500	28.03.2014	Transfer	10			
	15,000	28.03.2014	Transfer	10			

	10,000	28.03.2014	Transfer	10			
	23,000	28.03.2014	Transfer	10			
	10,000	28.03.2014	Transfer	10			
Total	1,65,500				4.47%	1.70%	
M/s Euro Spin Fab Pvt. Ltd	4,00,000	02.11.2011	Purchase	10			3 Years
Total	4,00,000				10.81%	4.12%	
M/s Enn Tee Textiles Pvt. Ltd	4,34,500	02.11.2011	Purchase	10	11.75%	4.48%	3 Years
Total	5,80,000				11.75%	4.48%	
Total Lock-in for 3 years	19,40,391				52.48%	20.00%	

The promoter's contribution has been brought into the extent of not less than the specified minimum amount has been contributed by the persons defined as promoter under the SEBI ICDR Regulations. Our company has obtained written consent from our promoters for the lock-in of 1940391 Equity Shares for a period of 3 Years from the date of allotment in the issue.

We further confirm that the minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of partnership firms into limited companies.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post -Issue paid-up Equity Share Capital from the date of allotment in the proposed public Issue. Promoters' Contribution does not consist of any private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary. The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' Contribution, in accordance with the SEBI (ICDR) Regulations, 2009. Accordingly we confirm that the Equity Shares proposed to be included as part of the Promoters' Contribution:

- have not been subject to pledge or any other form of encumbrance; or

- have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Draft Prospectus at a price lower than the Issue Price.

The Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters' Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new promoters or persons in control of our Company, 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.

7. Details of share capital locked in for one year:

In addition to 20% of the Post-Issue shareholding of our Company locked for 3 Years as the minimum promoter's contribution, the balance pre issue paid up equity share capital i.e. 1757000 Equity Shares would be locked in for a period of 1 year from the date of allotment in the Proposed Initial Public Offering. Further, such lock in for the Equity Shares would be created as per the Bye- Laws of the Depositories.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, 2009, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.

8. Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 (three) years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable.

9. Shareholding pattern of our Company:

A: The following table presents the shareholding pattern of Our Company as on 31st March 2014:

Category of Shareholder	No. of Shareholders	Pre-Issue		Post issue		Shares Pledged or otherwise encumbered	
		No. of Equity Shares	As a %of Issued Equity	No. of Equity Shares	As a %of Issued	No. of Equity Shares	As a %of Issued
Shareholding of Promoters & Promoter Group							
INDIAN							
Individuals/ HUFs/Directors/Relatives	25	1531891	41.43%	1531891	15.79%		
Central Govt. /State Govts.	---	---	---	---	---	---	---
Bodies Corporate	8	2165500	58.57%	2165500	22.33%	---	---
Financial Institutions/Banks	-	---	---	---	---	---	---
Sub Total A (1)	33	3697391	100%	3697391	38.12%	---	---
FOREIGN							
Bodies Corporate	-	---	---	---	---	---	---
Individual	-	---	---	---	---	---	---
Institutions	-	---	---	---	---	---	---
Any others (specify)	-	---	---	---	---	---	---
Sub Total A (2)	-	---	---	---	---	---	---
Total Shareholding of Promoter group A (1) + A	33	3697391	100%	36973911	38.12%	---	---
PUBLIC SHAREHOLDING							
Institutions							
Central Govt./State Govts.	-	---	---	[●]	[●]	---	---
Financial Institutions/Banks	-	---	---	[●]	[●]	---	---
Mutual Funds/UTI	-	---	---	[●]	[●]	---	---
Venture Capital Funds	-	---	---	[●]	[●]	---	---
Insurance Companies	-	---	---	[●]	[●]	---	---
Foreign Institutions	-	---	---	[●]	[●]	---	---
Foreign Venture Capital	-	---	---	[●]	[●]	---	---
Any Others (Specify)	-	---	---	[●]	[●]	---	---
Sub Total B (1)	-	---	---	[●]	[●]	---	---
Non Institutions	-	---	---				
Bodies Corporate	-	---	---	[●]	[●]	---	---
Individuals-shareholders holding normal share capital up to Rs. 1 Lac	-	---	---	[●]	[●]	---	---
Individuals-shareholders holding normal Share capital in excess of Rs.1	-	---		[●]	[●]	---	---
Trust	-	---	---	[●]	[●]	---	---
Any Other (i) Clearing Member	-	---	---	[●]	[●]	---	---
Directors/Relatives	-	---	---	[●]	[●]	---	---

Employees	-	---	---	[●]	[●]	---	---
Foreign Nationals	-	---	---	[●]	[●]	---	---
NRI's	-	---	---	[●]	[●]	---	---
OCB'S	-	---	---	[●]	[●]	---	---
Person Acting in Concert	-	---	---	[●]	[●]	---	---
Sub Total B(2)				[●]	[●]	---	---
Total Public Shareholding B(1) + B(2)	-	---	---	5700000	58.78%	---	---
Total A+B	33	3697391	100	9397391	96.91%	---	---
Shares held by Custodians and against which Depository receipts have been issued (C)	-	---	---	---	---	---	---
Shares held by Market Makers (D)	-	---	---	300000	3.09%	---	---
Grand Total A+B+C+D	33	3697391	100	9697391	100		

[B] Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group (individuals and companies) as per clause 37 of the SME Listing Agreement.

Sr. No.	Name of the shareholder	Pre-Issue		Post-Issue		Shares pledged or otherwise Encumbered		
		No. of Equity Shares	As a % of Issued Share Capital	No. of Equity Shares	As a % of Issued Share Capital	Number	As a percentage	As a % of grand Total (a)+(b)+(c) of Sub-clause (i)(a)
A	Promoters							
1.	Mr. Harish Chander	4,73,343	12.80%	4,73,343	4.88%	-	-	-
2.	Smt Raman	4,17,618	11.29%	4,17,618	4.31%	-	-	-
3.	M/s Harish Trading Co. (H.U.F)	49,430	1.34%	49,430	0.51%	-	-	-
4.	M/s Bright Polymers Pvt. Ltd,	1,65,500	4.47%	1,65,500	1.70%	-	-	-
5.	M/s Enn Tee Textiles Pvt. Ltd,	5,80,000	15.68%	5,80,000	5.98%	-	-	-
6.	M/s Euro Spin Fab Pvt. Ltd	4,00,000	10.81%	4,00,000	4.12%	-	-	-
	TOTAL (A)	20,85,891	56.41%	20,85,891	21.50%			
B	Promoter Group, Relatives and other Associates							
1.	Sh. Manish Aggi	1,000	0.027	1,000	0.010	-	-	-
2.	Sh. Sham Sunder	11,000	0.298	11,000	0.113	-	-	-
3.	Ms. Monisha Kalra	10,000	0.270	10,000	0.103	-	-	-
4.	Sh. Vinod Kumar Gupta	2,500	0.068	2,500	0.026	-	-	-
5.	Smt. Manju Gupta	2,500	0.068	2,500	0.026	-	-	-
6.	Sh. B.L. Gupta	7,500	0.203	7,500	0.077	-	-	-

7.	Sh. Gulshan Kumar Chaudhary	28,000	0.757	28,000	0.289	-	-	-
8.	Sh. Subhash Gupta	12,500	0.338	12,500	0.129	-	-	-
9.	Smt. Anjul Gupta	10,000	0.270	10,000	0.103	-	-	-
10.	Sh. Jagdish Prasad Prajapat	36,500	0.987	36,500	0.376	-	-	-
11.	Sh. Sanjay Kumar Karwa	40,000	1.082	40,000	0.412	-	-	-
12.	Sh. Ratan Lal	20,000	0.541	20,000	0.206	-	-	-
13.	Sh. Sudhesh Kumar Khatri	50,000	1.352	50,000	0.516	-	-	-
14.	Sh. Hans Raj	50,000	1.352	50,000	0.516	-	-	-
15.	Sh. Babu Ram	30,000	0.811	30,000	0.309	-	-	-
16.	Sh. Jai Bhagwan	50,000	1.352	50,000	0.516	-	-	-
17.	Smt. Komal Gupta	50,000	1.352	50,000	0.516	-	-	-
18.	Sh. Manoj Kumar	30,000	0.811	30,000	0.309	-	-	-
19.	Sh. Rahul Kumar	30,000	0.811	30,000	0.309	-	-	-
20.	Sh. Raj Singh	30,000	0.811	30,000	0.309	-	-	-
21.	Sh. Surender Khatri	50,000	1.352	50,000	0.516	-	-	-
22.	Smt. Usha Rani	40,000	1.082	40,000	0.412	-	-	-
23.	M/s Saraswati Commercial Ent. Ltd.	1,60,000	4.33	1,60,000	1.64	-	-	-
24.	M/s Kisga Leasing & Finance (P) Ltd.	1,00,000	2.70	1,00,000	1.03	-	-	-
25.	M/s Jindal Healthcare Limited	30,000	0.81	30,000	0.30	-	-	-
26.	M/s Jindal Portfolio Limited	30,000	0.81	30,000	0.30	-	-	-
27.	Synergy Textiles Limited	7,00,000	18.93	7,00,000	7.22	-	-	-
	TOTAL (B)	16,11,500	43.59	16,11,500	16.62	-	-	-
	TOTAL (A+B)	36,97,391	100%		38.12%	-	-	-

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Harish Chander	4,73,343	10
Smt Raman	4,17,618	10
M/s Harish Trading Co. (H.U.F)	49,430	10
M/s Bright Polymers Pvt. Ltd,	1,65,500	10
M/s Enn Tee Textiles Pvt. Ltd,	5,80,000	10
M/s Euro Spin Fab Pvt. Ltd	4,00,000	10

10. Following Directors holds Equity Shares in our Company.

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital	% age of post-Issue capital
1	Mr. Harish Chander	4,73,343	12.80%	4.88%

11. Equity Shares held by top ten shareholders

A. Our top ten shareholders and the number of Equity Shares held by them as on date of the Draft Prospectus are as under

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital	% age of post-Issue capital
1	Synergy Textiles Ltd	7,00,000	18.93%	7.22%
2	Enn Tee Textiles (P) Ltd	5,80,000	15.69%	5.98%
3	Mr. Harish Chander	4,73,343	12.80%	4.88%
4	Smt. Raman	4,17,618	11.29%	4.31%
5	Euro Spin Fab (P) Ltd	4,00,000	10.82%	4.12%
6	Bright Polymers Pvt Ltd	1,65,500	4.47%	1.70%
7	Saraswati Commercial Enterprises Ltd	1,60,000	4.32%	1.64%
8	Kisga Leasing & Finance (P)Ltd	1,00,000	2.70%	1.03%
9	Surendra Khatri	50,000	1.35%	0.51%
10	Komal Gupta	50,000	1.35%	0.51%
10	Jai Bhagwan	50,000	1.35%	0.51%
10	Hans Raj	50,000	1.35%	0.51%
10	Sudesh Kumar Khatri	50,000	1.35%	0.51%

B. Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of the Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital	% age of post-Issue capital
1	Synergy Textiles Ltd	7,00,000	18.93%	7.22%
2	Enn Tee Textiles (P) Ltd	5,80,000	15.69%	5.98%
3	Mr. Harish Chander	4,73,343	12.80%	4.88%
4	Smt. Raman	4,17,618	11.29%	4.31%
5	Euro Spin Fab (P) Ltd	4,00,000	10.82%	4.12%
6	Bright Polymers Pvt Ltd	1,65,500	4.47%	1.70%
7	Saraswati Commercial Enterprises Ltd	1,60,000	4.32%	1.64%
8	Kisga Leasing & Finance (P)Ltd	1,00,000	2.70%	1.03%
9	Surendra Khatri	50,000	1.35%	0.51%
10	Komal Gupta	50,000	1.35%	0.51%
10	Jai Bhagwan	50,000	1.35%	0.51%
10	Hans Raj	50,000	1.35%	0.51%
10	Sudesh Kumar Khatri	50,000	1.35%	0.51%

C. Our top ten shareholders and the number of Equity Shares held by them two years prior to date of the Draft Prospectus are as under

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital	% age of post-Issue capital
1	Synergy Textiles Ltd	7,00,000	18.93%	7.22%
2	Enn Tee Textiles (P) Ltd	5,80,000	15.69%	5.98%
3	Mr. Harish Chander	4,73,343	12.80%	4.88%
4	Smt. Raman	4,17,618	11.29%	4.31%
5	Euro Spin Fab (P) Ltd	4,00,000	10.82%	4.12%
6	Saraswati Commercial Enterprises Ltd	1,60,000	4.32%	1.64%
7	Bright Polymers Pvt Ltd	1,00,000	2.70%	1.03%
8	Kisga Leasing & Finance (P)Ltd	1,00,000	2.70%	1.03%
9	Surendra Khatri	50,000	1.35%	0.51%
10	Komal Gupta	50,000	1.35%	0.51%
10	Jai Bhagwan	50,000	1.35%	0.51%
10	Hans Raj	50,000	1.35%	0.51%
10	Sudesh Kumar Khatri	50,000	1.35%	0.51%

12. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through the Draft Prospectus.

13. There have been no purchase or sell of Equity Shares by the Promoters, Promoter Group and the Directors during a period of six months preceding the date on which the Draft Prospectus is filed with NSE.

14. Our Company has not raised any bridge loans against the proceeds of this Issue.

15. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "Basis of Allotment" on page no 182 of this Draft Prospectus.

16. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot.

Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

17. As on date of filing of this Draft Prospectus with SEBI, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.

18. On the date of filing the Draft Prospectus with SEBI, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

19. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.

20. Lead Manager to the Issue viz. Mefcom Capital Markets Limited does not hold any Equity Shares of our Company.
21. Our Company has not revalued its assets since incorporation.
22. Our Company has not made any public issue since incorporation.
23. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
24. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.
25. Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
26. At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.
27. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
28. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
29. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
30. Our Company has 33(Thirty Three) members as on the date of filing of this Draft Prospectus.

SECTION V-OBJECTS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of the Issue are to finance our business expansion plans and achieve the benefits of listing on the NSE-EMERGE platform. We believe that listing will enhance our corporate image and brand name of our Company.

The objects of the Issue are as stated below:

The main objects of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

The Company proposes to meet the entire requirement of funds for the Objects from the Net Proceeds of the Issue. Accordingly, the requirement under Regulation 4(2)(g) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable means for the 75% of the stated means of finance is not applicable.

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 THE PROJECT

Sr. NO.	OBJECT	TOTAL COST ESTIMATED (RS. IN LAKH)
1.	To meet the expenses of technological upgradation & setting up of high bulk micro carpet yarn and carpet machine	224.05
2.	Installation of a new line for manufacturing polyester yarn	496.05
3.	To meet Long Term Working Capital Requirement	935.05
4.	General Corporate Purposes	288.13
5.	To meet Public Issue expenses and listing of shares on stock exchange	60.00
	Total Cost of the Project	2003.28

MEANS OF FINANCE

SR. NO.	DESCRIPTION	AMOUNT (IN LAKH)
1.	Initial Public Offer	1980.00
2.	Internal Accrual*	23.28
	Total	2003.28

**Note: In case the IPO does not go as planned, our Company will make alternative arrangements like availing of fresh loans from bank(s) and/ or utilizing internal accruals. In case of excess funds remaining after deployment as per the Objects of the Issue, the same will be utilized for General Corporate Purposes. For further details please*

refer to the heading titled “General Corporate Purposes” beginning on page 53 under Chapter titled “Objects of the Issue” beginning on page 51 of this Prospectus.

No part of the Issue Proceeds will be paid by us as consideration to our Promoters, Directors, Key Managerial Personnel, Associates or Companies Promoted by our Promoters except in the course of normal business.

No part of the Issue Proceeds will be used for procuring second hand machinery for the proposed project.

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 met with by surplus funds, if any available in any other project and/ or our Company’s internal accrual, and/ or the term loans/ working capital loans that may be availed from the Banks/ Financial Institutions.

DETAILS OF THE OBJECTS OF THE ISSUE

1. To meet the expenses of technological up-gradation & setting up of micro high bulk carpet yarn.

Our Company proposes to setup draught textile machinery for micro yarn and high bulk yarn for manufacturing of carpets & rugs. We have decided to buy good quality high bulking machinery for making carpet yarn of competitive quality. Total cost of technological up-gradation of machinery in the existing plant and setting up of micro high bulk carpet yarn at Haridwar plant required a fund deployment of Rs. 224.05 Lacs. This technological up-gradation is required to have a competitive edge over other companies in this industry. This up gradation is needed also to keep in mind of the changes in consumers taste and preferences, as it requires various advancements in the existing plant and machinery.

2. Installation of a new line for manufacturing polyester yarn.

In the second phase of expansion plan, our Company proposes to start a new line for manufacturing good quality polyester yarn. Total fund allocated for erection of this unit is Rs. 496.05 Lacs. Latest technology driven plant and machineries will be imported from China and Singapore for this unit for effective utilization of resources. India has the largest readily available market for the product “Polyester”.

3. To meet Long Term working Capital Requirement.

Considering the existing growth rate of our Company, our working capital needs are expected approximately 991.12 Lacs for FY 2015-16 and 1048.45 Lacs for FY 2016-17 as assessed based on the working of our Company. We propose to meet this working capital requirement from the IPO proceeds to the tune of 935.05 Lacs. Any further working capital need would either be funded through internal sources or bank finances. We have worked out the requirement of working capital as per the given table below:

BREAK UP OF THE REQUIREMENT OF WORKING CAPITAL AND MARGIN MONEY (Rs. Lacs)

S.NO.	PARTICULARS	PERIOD/ DAYS	MARGIN %	1st YEAR	2nd YEAR	3rd YEAR
				TOTAL	TOTAL	TOTAL
1	Raw material (chips, master batch)	15	25	99.37	105.59	111.80
2	Consumable and packing materials	30	25	5.86	6.12	6.62
3	Work in progress	15	25	117.16	124.07	130.97
4	Finished goods	25	25	195.26	206.79	218.29
5	Debtors	50	25	484.08	513.77	544.76
6	Expenses	30	100	33.32	34.79	36.00
	TOTAL			935.05	991.12	1048.45

4. General Corporate Purposes

We propose to use the balance amount of the Net Proceeds of the Issue, approximately Rs. 288.13 Lacs, towards general corporate purposes including but not restricted to, brand building exercises, strengthening of our marketing capabilities and meeting exigencies which we may face in the ordinary course of our business. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds. Our management, in accordance with the competitive and dynamic nature of our business and the policies of the Board, will have the flexibility to revise its business plan from time to time and in utilizing the sum earmarked for general corporate purposes and any surplus amounts from the Net Proceeds of the Issue.

5. To meet Public Issue expenses and listing of shares on stock exchanges

The total expenses of the Issue are estimated to be approximately Rs 60.00 Lacs. The Issue related expenses consist of underwriting fees, selling commission, fees payable to the LMs, legal counsels, Escrow Collection Banks and Registrar to the Issue, IPO grading, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange.

Particulars	Amount (Rs. In Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	45.00	75.00	2.27
Printing & Stationery, Distribution, Postage, etc	[●]	[●]	[●]
Advertisement & Marketing Expenses	[●]	[●]	[●]
Regulatory & other expenses	[●]	[●]	[●]
Total	60.00	100	3.03

Details of funds already deployed & Sources of funds deployed

The funds deployed up to September 24, 2014 towards the object of this issue on the project as certified by the Statutory Auditors of our Company, M/s Raj M S Gupta & Co., Chartered Accountants vide their certificate dated September 24, 2014 is given below:

DEPLOYMENT OF FUNDS	AMOUNT
Project Related	-
Public Issue Expenses	18.95
Total	18.95

SOURCES OF FUNDS	AMOUNT
Internal Accruals	18.95
Bank Finance	-
Total	18.95

INTERIM USE OF FUNDS

The management, in accordance with the policies set up by the Board, will have flexibility in deploying the proceeds received from the Issue. Pending utilization for the purposes described above, the Company intends to temporarily invest the funds in high quality interest or dividend bearing liquid instruments including deposits with banks for the necessary duration. Such investments would be in accordance with any investment criteria approved by the Board of Directors from time to time.

Monitoring Utilization of Funds

Since the Issue size does not exceed Rs. 50,000 Lacs, the appointment of a monitoring agency as per Regulation 16 of the SEBI Regulations is not required. As required under the listing agreements with the Stock Exchange, the Audit Committee appointed by our Board will monitor the utilisation of the Issue proceeds. We will disclose the utilization of the proceeds of the Issue, including interim use, under a separate head in our quarterly/half yearly financial disclosures and annual audited financial statements until the Issue Proceeds remain unutilised, to the extent required under the applicable law and regulation. We will indicate investments, if any, of unutilised proceeds of the Issue in our Balance Sheet for the relevant Financial Years subsequent to our listing of our Equity Shares on the SME Platform of NSE.

Pursuant to clause 52 of the SME Equity Listing Agreement, our Company shall on a half yearly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Draft Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Our Company shall be required to inform material deviations in the utilisation of the proceeds of the Issue to the Stock Exchange(s) and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/monitoring agency public through advertisement in newspapers.

No part of the Proceeds from the Issue will be paid by us as consideration to our Promoters, Promoter Group, our Directors, Group Companies or Key Managerial Personnel, except in the normal course of our business.

Basic terms of the issue

The Equity shares being offered are subject to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification, our Memorandum and Articles of Association, the terms of this offer document and other terms and conditions as may be incorporated in the Allotment advice and other documents /certificates that may be executed in respect of the issue. The Equity shares shall also be subjected to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, RBI, ROC and /or other authorities as in force on the date of issue and to the extent applicable.

BASIS FOR ISSUE PRICE

Investors should read the following basis with the “Risk Factors” beginning on Page no 13 and the details about the “Business of Our Company” and its “Financial Statements” included in this Draft Prospectus on page no 75 and page no 118 respectively to get a more informed view before making any investment decisions.

QUALITATIVE FACTORS:

Some of the qualitative factors which form the basis for computing the Issue Price are:

Leveraging the experience of our Promoters:

Our Promoters Mr. Harish Chander has enough experience of doing business in textile industry and is well versed with the nittigritts of different aspects of textile industry.

Experienced management team and a motivated and efficient work force

Our Company is managed by a team of experienced and professional personals having knowledge of every aspect of textile activities, marketing and finance. The faith of the management in the staff and their performance has enabled us to build up capabilities to expand our business.

QUANTITATIVE FACTORS:

Information presented in this section is derived from our restated financial statements certified by the Statutory Auditors of the Company.

1. Basic Earning per Equity Share (EPS) (on Face value of Rs. 10 per share)

Year	Earning Per Share (Rs.)	Weights
F.Y. 2010-11	1.87	1
F.Y. 2011-12	2.23	2
F.Y. 2012-13	0.16	3
F.Y. 2013-14	1.08	4
Weighted Average	1.13	

EPS Calculations have been done in accordance with Accounting Standard 20-“Earning per Share” issued by the Institute of Chartered Accountants of India.

- Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- The weighted average number of Equity Shares outstanding during the period is adjusted for events of bonus issue.
- For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2. Price/Earnings Ratio (P/E) in relation to the Issue Price Rs. 33.00.

- Based on fiscal year as on 31st March, 2014; at EPS of Rs. 1.08 as per Restated Financial Statements, the P/E ratio is 30.55.
- Based on weighted average EPS of Rs. 1.13 as per Restated Financial Statements, the P/E ratio is 29.20.

- Industry P/E: 16.34

3. Return on Net worth (RONW)

Year	RONW (%)	Weights
F.Y. 2010-11	15.55	1
F.Y. 2011-12	16.87	2
F.Y. 2012-13	1.19	3
F.Y. 2013-14	7.59	4
Weighted Average	8.32	

4. Minimum return on post Issue Net Worth to maintain the Pre-issue EPS is 4.17%

5. Net Asset Value per Equity Share

Sr. No	Particulars	Rs.
a)	As on 31 st March, 2014	14.28
b)	After Issue	25.86
c)	Issue Price	33.00

6. Peer Group Comparison of Accounting Ratios

The peer group comparison of various accounting ratio is as below:

Companies	Share Capital Money (Units In Crores)	Face Value	Book Value	Market Price	EPS	Price to Book value	P.E
Sumeet Industries	78.04	10	34.61	15.15	3.18	2.28	4.76
Shekhawati Poly yarn	22.01	1	3.34	1.95	0.27	1.71	7.22
Vardhaman Acrylics	108.53	10	22.95	19.2	1.81	1.20	10.61
Industry Average							16.34

Note: We could not find any listed company engaged in similar kind of business activities. However we have selected few companies which are either having some common products or engaged in similar activities. .

(Source: <http://www.moneycontrol.com/> dated. 19.09.2014)

- The face value of our shares is Rs.10/- per share and the Issue Price is of Rs. 33 per share is 3.3 times of the face value.
- The Company in consultation with the Lead Manager believes that the Issue Price of Rs. 33.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment proposition.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Enn Tee International Limited
A-64/1, First Floor, G.T Karnal Road
Industrial Area, Azadpur
Delhi- 110033

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 Enn Tee International 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 to Enn Tee International 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 M/S Raj M S Gupta & Co.,

Chartered Accountants.
Firm Registration No -023745N
Sd/-
Mr.R.K Gupta
M. No.091930
Partner
Place: New Delhi
Date:

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

- CST @ 1% for 5 years.
- 100% exemption on Excise duty for first 10 years.
- Income Tax holiday for first 5 years and 30% exemption for next 5 years.

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.

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” means 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.

4. 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. 2013-14	A.Y. 2014-15
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 "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.
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 nonresident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessionaly 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)

- 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.
- 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.
- 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 Rate of Tax (%)

Nature of Income	Rate of Tax (%)
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.

- 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.
- 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 OUR COMPANY

SUMMARY

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on [●] of this Draft Prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

OVERVIEW OF THE TEXTILE INDUSTRY

The Textile Sector in India ranks next to Agriculture. Textile is one of India’s oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

Textile Industry is providing one of the most basic needs of people and holds the importance; maintaining sustained growth for improving quality of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing; it is a major contribution to the country's economy. This paper deals with structure, growth and size of the Indian textile industry, role of textile industry in economy, key advantages of the industry, textile industry export and global scenario and strength, weakness, opportunities and treats of the Indian textile industry.

INDUSTRY PROFILE:-

❖ TEXTILE INDUSTRY HIGHLIGHTS

- Largest Gross and Net foreign exchange earner
- 30% of the total Export earnings with practically no import content (cotton yarn contributing 13%)
- 14 % of the Industrial Production
- 7% of GDP
- Direct employment to nearly 3 Crore (30 million) of people.
- 10% of excise revenue

❖ PROFILE OF INDIAN TEXTILE INDUSTRY

ORGANIZED SECTOR	INSTALLED CAPACITY
No. of Mills	1875
No. of spindles	36 mn spindles
OE spinning	3,79,579 rotors
Looms	1,19,033 (mill sector)

❖ SSI SECTOR

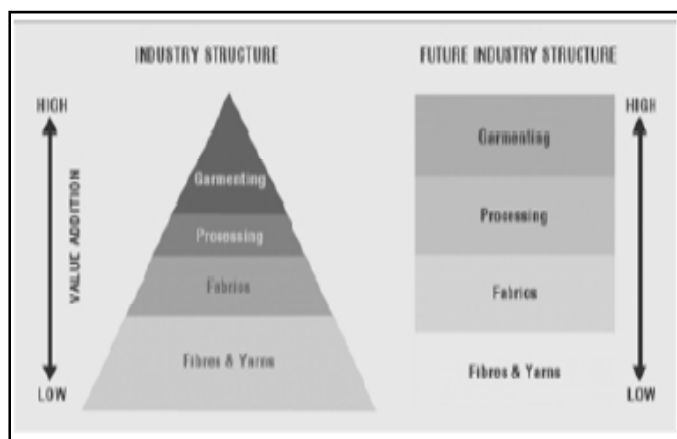
ORGANIZED SECTOR	INSTALLED CAPACITY
No. of Mills	861
Ring spinning	1.65 mnspdl
OE spinning	37,702 rotors

Source: http://www.cottonindia.com/cottonkings/Cotton_info/IndianTextile.asp

INTRODUCTION

A textile is the largest single industry in India (and amongst the biggest in the world), accounting for about 20% of the total industrial production. It provides direct employment to around 30 million people. Textile and clothing exports account for one-third of the total value of exports from the country. There are 1,227 textile mills with a spinning capacity of about 29 million spindles. While yarn is mostly produced in the mills, fabrics are produced in the power loom and handloom sectors as well. The Indian textile industry continues to be predominantly based on cotton, with about 65% of raw materials consumed being cotton. The yearly output of cotton cloth was about 12.8 billion m (about 42 billion ft). The manufacture of jute products (1.1 million metric tons) ranks next in importance to cotton weaving. Textile is one of India's oldest industries and has a formidable presence in the national economy inasmuch as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. They include cotton and jute growers, artisans and weavers who are engaged in the organized as well as decentralized and household sectors spread across the entire country.

INDIAN TEXTILE INDUSTRY STRUCTURE AND GROWTH

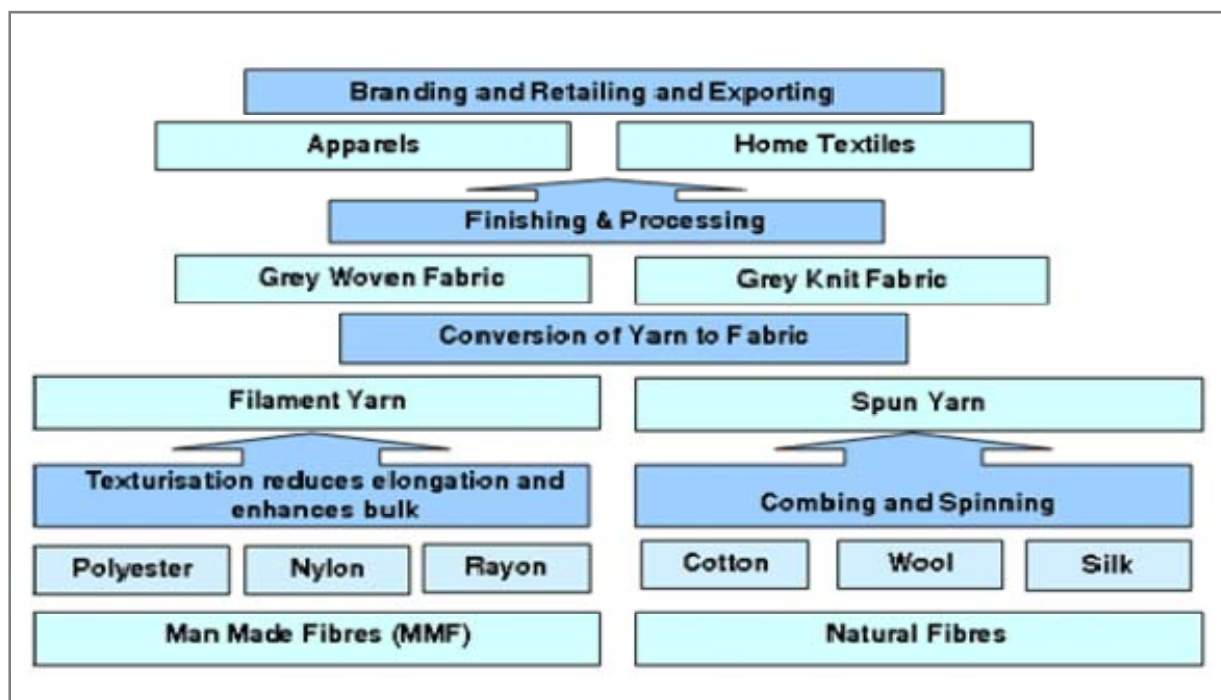


The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14% to industrial production, 7% to the GDP, and 31% to the country's export earnings. The Textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

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

The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

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



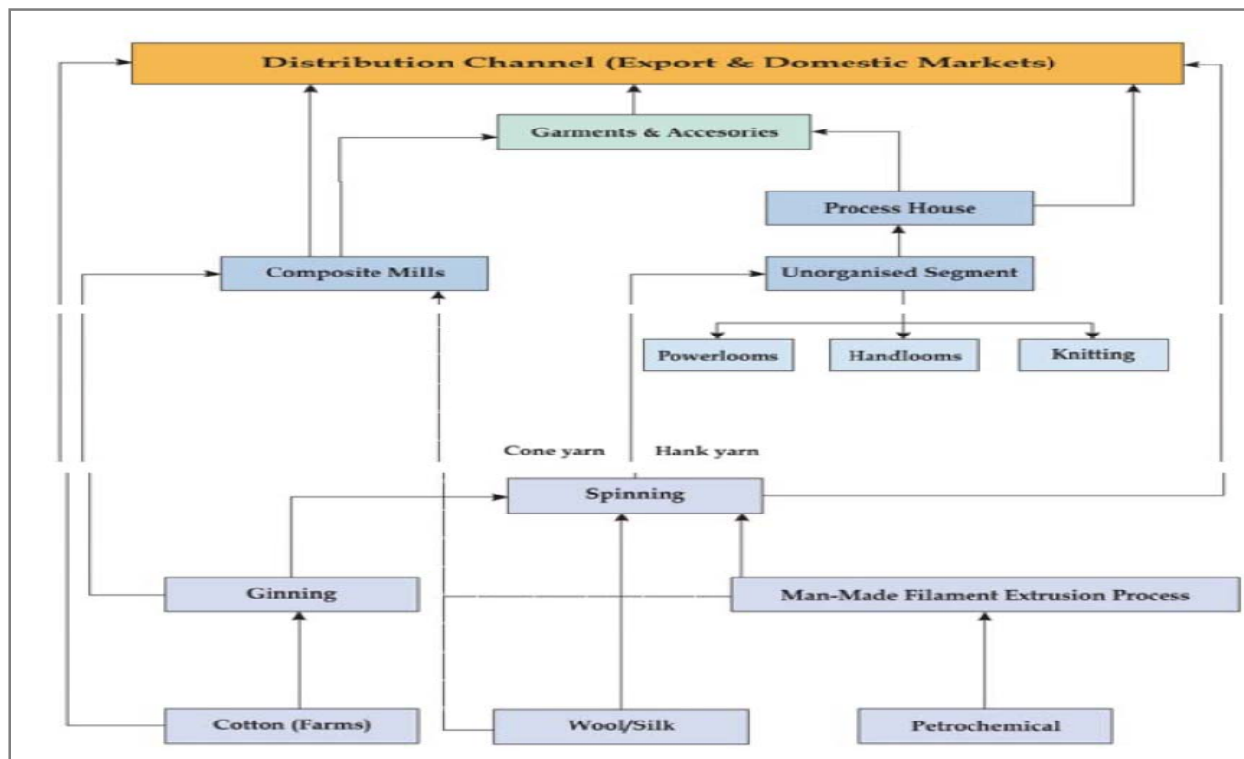
STRUCTURE OF INDIA'S TEXTILE INDUSTRY

Unlike other major textile-producing countries, India's textile industry is comprised mostly of small-scale, nonintegrated spinning, weaving, finishing, and apparel-making enterprises. This unique industry structure is primarily a legacy of government policies that have promoted labor-intensive, small-scale operations and discriminated against larger scale firms:

- **Composite Mills.** Relatively large-scale mills that integrate spinning, weaving and, sometimes, fabric finishing are common in other major textile-producing countries. In India, however, these types of mills now account for about only 3 percent of output in the textile sector. About 276 composite mills are now operating in India, most owned by the public sector and many deemed financially "sick."
- **Spinning.** Spinning is the process of converting cotton or manmade fiber into yarn to be used for weaving and knitting. Largely due to deregulation beginning in the mid-1980s, spinning is the most consolidated and technically efficient sector in India's textile industry. Average plant size remains small, however, and technology outdated, relative to other major producers. In 2002/03, India's spinning sector consisted of about 1,146 small-scale independent firms and 1,599 larger scale independent units.
- **Weaving and Knitting.** Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labor-intensive. This sector consists of about 3.9 million handlooms, 380,000 "power loom" enterprises that operate about 1.7 million looms, and just 137,000 looms in the various composite mills. "Power looms" are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. Modern shuttle less looms account for less than 1% of loom capacity.
- **Fabric Finishing.** Fabric finishing (also referred to as processing), which includes dyeing, printing, and other cloth preparation prior to the manufacture of clothing, is also dominated by a large number of independent, small scale enterprises. Overall, about 2,300 processors are operating in India, including about 2,100 independent units and 200 units that are integrated with spinning, weaving, or knitting units.

- **Clothing. Apparel** is produced by about 77,000 small-scale units classified as domestic manufacturers, manufacturer exporters, and fabricators (subcontractors).

The Textile and Apparel supply chain



ROLE OF INDIAN TEXTILE INDUSTRY IN THE ECONOMY

Textile industry plays a significant role in the economy. The Indian textile industry is one of the largest and most important sectors in the economy in terms of output, foreign exchange earnings and employment in India. It contributes 21 per cent of industrial production, 9 per cent of excise collections, 18 per cent of employment in industrial sector, nearly 31 per cent to the country's total export earnings and 7 per cent to the GDP. The sector employs nearly 30 million people and is the second highest employer in the country. The textile sector also has a direct link with the rural economy and performance of major fibre crops and crafts such as cotton, wool, silk, handicrafts and handlooms, which employ millions of farmers and crafts persons in rural and semi-urban areas. It has been estimated that one out of every six households in the country depends directly or indirectly on this sector.

India has several advantages in the textile sector, including abundant availability of raw material and labour. It is the second largest player in the world cotton trade. It has the largest cotton acreage, of about nine million hectares and is the third largest producer of cotton fibre in the world. It ranks fourth in terms of staple fibre production and fourth in polyester yarn production. The textile industry is also labour intensive, thus India has an advantage.

GROWTH OF TEXTILE INDUSTRY

India has already completed more than 65 years of its independence. The analysis of the growth pattern of different segment of the industry during the last five decades of post independence era reveals that the growth of the industry during the first two decades after the independence had been gradual, though lower and growth had been considerably slower during the third decade. The growth thereafter picked up significantly during the fourth decade in each and every segment of the industry. The peak level of its growth has however been reached during the fifth decade i.e., the last ten years and more particularly in the 90s. The Textile Policy of 1985 and Economic Policy of

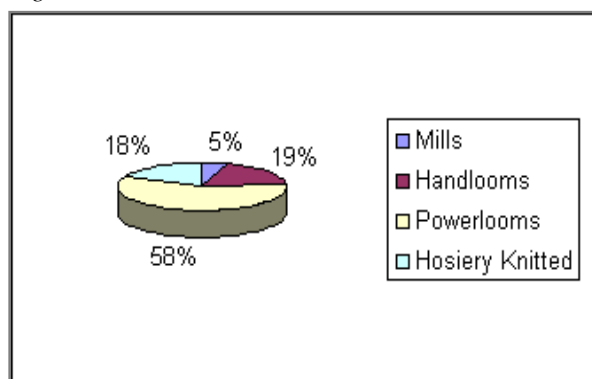
1991 focusing in the direction of liberalization of economy and trade had in fact accelerated the growth in 1990s. The spinning spearheaded the growth during this period and man-made fibre industry in the organized sector and decentralized weaving sector.

INDIAN TEXTILE INDUSTRY

Trends in Textiles Production

Category	Sub Category	Rate of Growth in (%)	
		December, 2013	FY 2013 – 14 (April – December 2013)
Fibre	Man-made fibre	6	4
Yarn	Filament Yarn	0	-7
	Cotton yarn	6	10
	Blended & 100% non- cotton yarn	5	8
Cloth Production	Mill sector	4	6
	Handloom	3	4
	Power loom	-7	-3
	Hosiery	11	13
	Total Cloth Production	-1	2

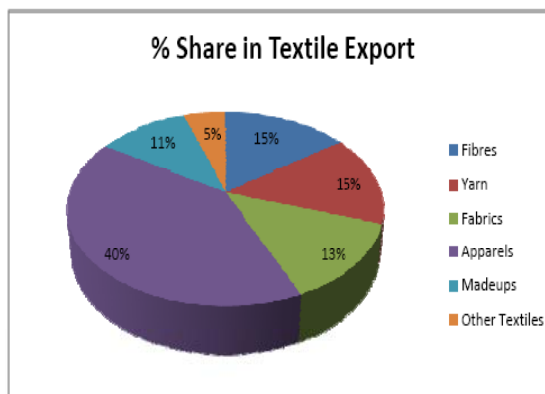
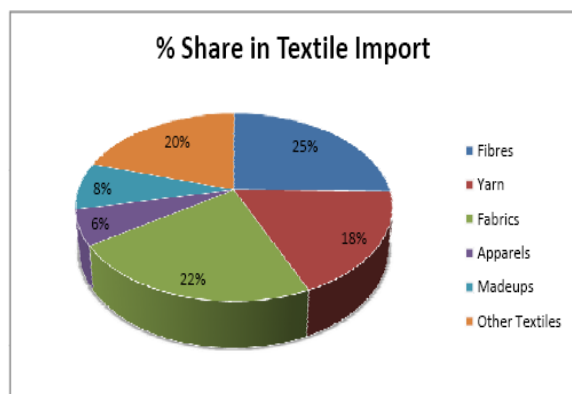
Fig .SECTORWISE SHARE OF CLOTH PRODUCTION



In December 2013 cloth production under power loom sector declined by 7%. Production of filament yarn remained same during the month. All the other sub-sectors have shown positive growth ranging from 3% to 11%. Total cloth production has decreased by 1%.

During FY 2013 – 14 (April – December 2013) filament yarn and cloth production by power loom sector has shown decrease in production by 7%, and 3% respectively. All the other subsectors have shown positive growth ranging from 4% to 13%. Total cloth production has increased by 2% during the period.

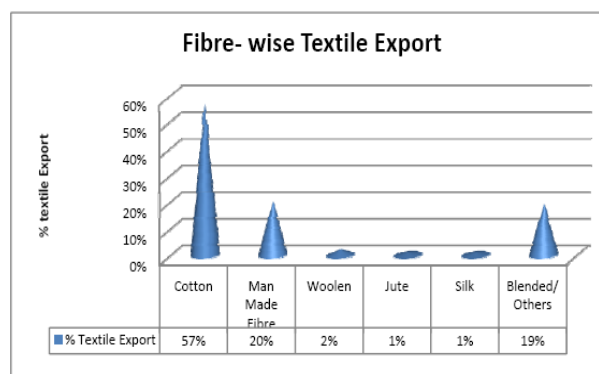
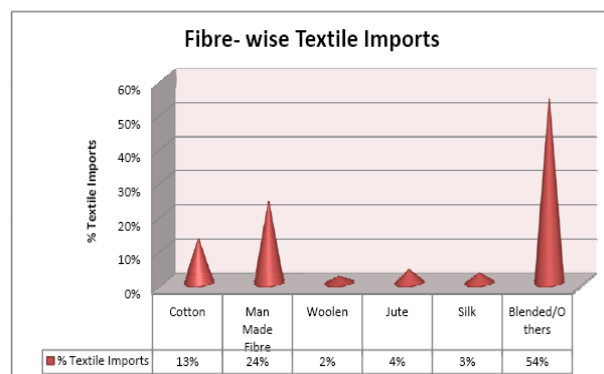
Textile Trade Composition during 2012-13



As per CITI report (Confederation of Indian Textile Industry):-

- **Import basket:** - Fabric imports dependency is coming down, but technical textiles imports are increasing.
- **Export basket:** - Share of apparels in export is high but that of raw cotton and cotton yarn is also significant.

Fibre wise Trade Composition during 2012-13



- Cotton based textile product dominate in exports.

Trends in Textiles Exports

Item	Rs in Crore			US \$ Million		
	Apr – Dec. 2012	Apr – Dec. 2013 (P)	% Growth	Apr – Dec. 2012	Apr – Dec. 2013 (P)	% Growth
Textiles Exports	1,17,830.88	1,50,050.60	27.34	21,633.38	24,914.69	15.17
Total Exports	11,84,748.93	13,81,164.94	16.58	2,17,415.28	2,29,508.21	5.56
Share of Textile exports in total Exports (%)	9.95	10.86		9.95	10.86	

Source: Foreign Trade Statistics of India (Principal Commodities Groups), DGCI&S Department of Commerce (Internet) P - Provisional

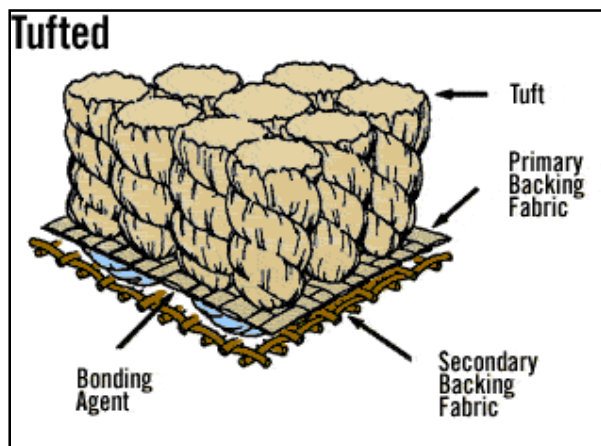
YARN PRICE:

- The percentage change in yarn prices of following categories in January 2014 in comparison to January 2013 is as follows:

CATEGORY OF YARN	CHANGE (%)
Cotton Hank Yarn	9.2
Cone Yarn	4.3
Hosiery Yarn	10.9
PSF	11.2
PFY (126D)	4.3
Textures Yarn	-1.4
Imported merino/wool	-10.5

- The yarn prices of all categories increased ranging from 4.3% to 11.2%, except the price of textures yarn and imported merino/wool which showed a decrease of 1.4% and 10.5% respectively during January 2014 in comparison to the prices of January 2013

CARPET YARN



The majority of the carpet produced contains one of six pile fibers: nylon, polypropylene (olefin), acrylic, polyester, wool, or cotton. Each fiber has strengths and weaknesses that must be recognized and should influence how it is to be used and constructed. Some fibers have very low resiliency and only should be manufactured in high-density loop pile constructions to limit crushing (pile flattening).

Each of the fiber systems used in the manufacture of carpet can be divided into two classifications: staple and bulked continuous filament (BCF). Nylon is produced in both staple and BCF yarn. Olefin is typically produced in BCF only. Polyester is manufactured in staple only;

cotton and wool are inherently staple. Staple yarns are yarns that are produced in short lengths and spun and twisted together (like cotton) to form long threads of yarn and tufted into carpet. BCF yarns are actually long filaments of fiber that are plied together to form continuous bundles of fiber.

Use of Polypropylene to produce Carpet Yarn:



Polypropylene is used to produce carpet yarns because it is inexpensive. It is difficult to dye and does not wear as well as wool or nylon. Polypropylene is commonly used to construct berber carpets. In this case, polypropylene is commonly referred to as olefin. Large looped olefin berber carpets are usually only suited for light domestic use and tend to mat down quickly. Berber carpets with smaller loops tend to be more resilient and retain their new appearance longer than large looped berber styles. Commercial grade level-loop carpets have very small loops, and commercial grade cut-pile styles are well constructed. When made with polypropylene these styles wear very well, making them very suitable for areas with heavy foot

traffic such as offices. Polypropylene carpets are known to have good stain resistance but not against oil based agents. If a stain does set, it can be difficult to clean. Commercial grade carpets can be glued directly to the floor or installed over a 1/4" thick, 8-pound density padding. Outdoor grass carpets are usually made from polypropylene.

GLOBAL SCENARIO

- India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17), envisages India's exports of Textiles and Clothing at USD 64.41 billion by the end of March, 2017. The textiles industry accounts for 21% of industrial production, which is 7% of GDP; employs 30 million people and accounts for nearly 31% share of the country's total exports basket Direct employment to nearly 3 Crore (30 million) of people.

Country-wise analysis

In the global exports of Textiles, India ranked as the third largest exporter, trailing EU-27 and China, as per WTO data – 2011 (latest). In the global market exports of clothing, India ranked as the fifth largest exporter as per WTO data – 2011 (latest), trailing Bangladesh, Hong Kong, EU-27 and China.

India's textiles & clothing exports vis-à-vis total world exports are given below:

(In billion US\$)

Year	Textiles			Clothing		
	World Export	India's Exports	India's %age share in world exports	World Export	India's Exports	India's %age share in world exports
2004	195.0	6.85	3.51	258	6.62	2.57
2005	203.0	7.85	3.90	276	8.29	3.00
2006	218.6	9.33	4.30	311.4	10.20	3.30
2007	241.3	9.81	4.06	347.06	9.93	2.86
2008	253.4	10.45	4.12	364.91	11.50	3.15
2009	211.1	9.12	4.32	315.62	11.45	3.62
2010	251	12.87	5.13	351	11	3.13
2011	293.5	15.01	5.13	412.45	14.36	3.48

Source: International trade statistics 2012, WTO Secretariat

Fig1: comparative statement of world Export
Export in Textile

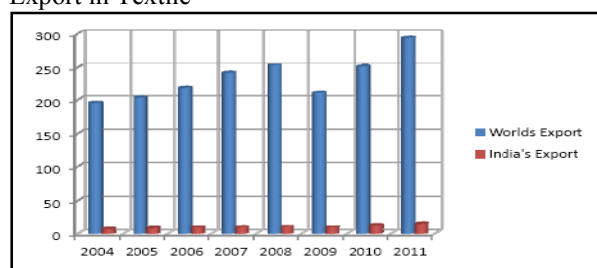
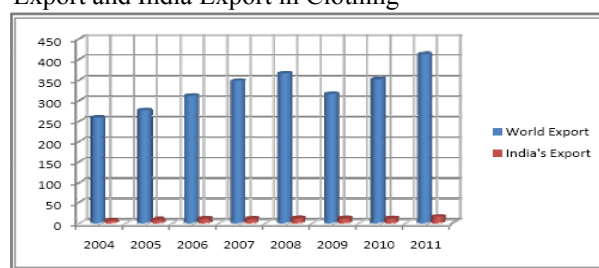


Fig2: Comparative statement of world and India
Export and India Export in Clothing



The latest available data released by WTO Secretariat, the values of top ten exporters of textiles & clothing in the world in calendar year 2012 are given below:-

Textiles (2011)				Clothing (2011)			
Rank	Name of the Country	Value	% of world share	Rank	Name of the Country	Value	% of world share
1	China	94	32.2	1	China	154	37.3
2	EU-27	77	26.1	2	EU-27	116	28.2
3	India	15	5.1	3	Hong Kong, China	25	-
4	United States	14	4.7	4	Bangladesh	20	4.8
5	RP Korea	12	4.2	5	India	14	3.5
6	Hong Kong, China	11	-	6	Turkey	14	3.4
7	Taipei, Chinese	11	3.8	7	Vietnam	13	3.2
8	Turkey	11	3.7	8	Indonesia	8	2.0
9	Pakistan	9	3.1	9	United States	5	1.3
10	Japan	8	2.7	10	Mexico	5	1.1
	World total	294			World total	412	

Source: International trade statistics 2012, WTO Secretariat

INDIAN TEXTILE INDUSTRY – SWOT ANALYSIS

Strength

- ❖ India has rich resources of raw materials of textile industry. It is one of the largest producers of cotton in the world and is also rich in resources of fibers like polyester, silk, viscose etc.
- ❖ India is rich in highly trained manpower. The country has a huge advantage due to lower wage rates. Because of low labor rates the manufacturing cost in textile automatically comes down to very reasonable rates.
- ❖ India is highly competitive in spinning sector and has presence in almost all processes of the value chain.
- ❖ Indian garment industry is very diverse in size, manufacturing facility, type of apparel produced, quantity and quality of output, cost, and requirement for fabric etc. It comprises suppliers of ready-made garments for both, domestic or exports markets.

Weakness

- ❖ Knitted garments manufacturing has remained as an extremely fragmented industry. Global players would prefer to source their entire requirement from two or three vendors and the Indian garment units find it difficult to meet the capacity requirements.
- ❖ Industry still plagued with some historical regulations such as knitted garments still remaining as a SSI domain.
- ❖ Labour force giving low productivity as compared to other competing countries.
- ❖ Technology obsolescence despite measures such as TUFS.
- ❖ Low bargaining power in a customer-ruled market.
- ❖ India seriously lacks in trade pact memberships, which leads to restricted access to the other major markets.
- ❖ Indian labour laws are relatively unfavorable to the trades and there is an urgent need for labour reforms in India.

Opportunity

- ❖ Low per-capita domestic consumption of textile indicating significant potential growth.
- ❖ Domestic market extremely sensitive to fashion fads and this has resulted in the development of a responsive garment industry.
- ❖ India's global share is just 3% while China controls about 15%. In post-2005, China is expected to capture 43% of global textile trade.
- ❖ Companies need to concentrate on new product developments.
- ❖ Increased use of CAD to develop designing capabilities and for developing greater options.

Threats

- ❖ Competition in post-2005 is not just in exports, but is also likely within the country due to cheaper imports of goods of higher quality at lower costs.
- ❖ Standards such as SA-8000 or WARP have resulted in increased pressure on companies for improvement of their working practices.
- ❖ Alternative competitive advantages would continue to be a barrier.

Source:-<http://www.fibre2fashion.com/industry-article/2/104/indian-textile-industry-an-overview7.asp>

OUR BUSINESS

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Enn Tee International Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page no 13 and "Industry Overview" on page no 63

BUSINESS OVERVIEW

Our Company was originally incorporated in Delhi as “Enn Tee International Private Limited” on 15th February, 1999 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. On June 11, 2014 it was converted to a Public Limited Company under the name of Enn Tee International Limited and fresh Certificate of Incorporation consequent upon change of name was issued by ROC, Delhi & Haryana. For further details in relation to change in management and change in name, please refer to section titled “Our History & Corporate Structure” on Page no. 87 of this Draft Prospectus.

The company commenced commercial production in 1999 and is engaged in the manufacturing of polyester textures filament yarn. The promoters are in the line of activity since last 33 years.

Currently, our company is engaged in the business of manufacturing of Polypropylene Multifilament Yarn under the brand name of “MINKLENE”. The project capacity is App. 3250 TPA, and further enhancing the production to 5000 TPA approx in polyester and Carpet Yarn. We have already introduced PP Crimp Yarn in 40 colors which are well appreciated in the market.

Our Product Range

We are a manmade synthetic yarn manufacturing company in polypropylene varieties of polymers like polypropylene in all colors and denier range with qualities like crimp yarn, textured yarn, crimp twisted yarn, POY, FDY, HE HOY, FDY TW, POY TW, HE TW, HOY TW. Twisted for various textile applications such as socks, undergarments, Tapes, Belt, Dorries, Chord, Crochets, Laces, Stitching, Bag closing, Fishing Nets, Ropes and Twines, /embroidery Threads, Carpets, Upholstery, Zipper, Malaidori and many more etc.

Location of manufacturing facilities

We operate from the following plants/premises:

TYPE OF FACILITY	LOCATION	MAJOR PRODUCT
Manufacturing Unit	Plot No.9, Sector-3, IIE, SIDCUL, Haridwar, Pin – 249 403 (Uttarakhand)	Polypropylene Multifilament Yarn under the brand name of “MINKLENE”
Registered Office	A-64/1, G.T. Karnal Road Industrial Area, Delhi-110 033.(INDIA)	--

OUR COMPETITIVE STRENGTHS

✓ Quality

Our Company has always believed in the best quality in our processes and products. Our Company is dedicated towards quality of our products, processes and inputs. We adhere to quality standards as prescribed by our customers.

✓ Experienced management team

Our Company is managed by a team of competent personnel having knowledge of core aspects of material, and marketing. Our promoter have the required experience in this field and, along with our Key Managerial Persons

have helped us to have long term relations with our customers and has also facilitated us to entrench with new customers. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

Our Business Strategy

I. Maintain and Expand Long-term Relationships with Clients

Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It helps understanding the basic requirement of Our Company and its market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely. Our existing clientele is an example of our long-term client relationships.

II. Enhancing our existing customer base

Our Company intends to grow in the business continuously by adding new customers. We are also exploring the international markets for exports of our existing products line which is intended to be of superior quality from the proposed project.

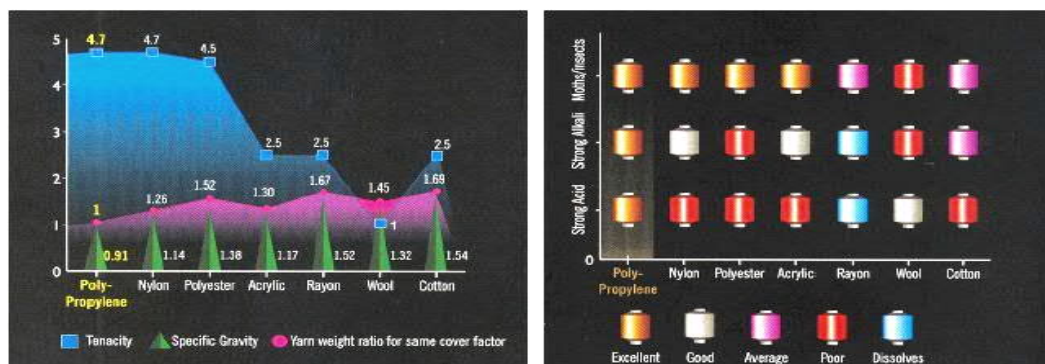
III. Competitive Pricing

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

OUR MAJOR PRODUCTS

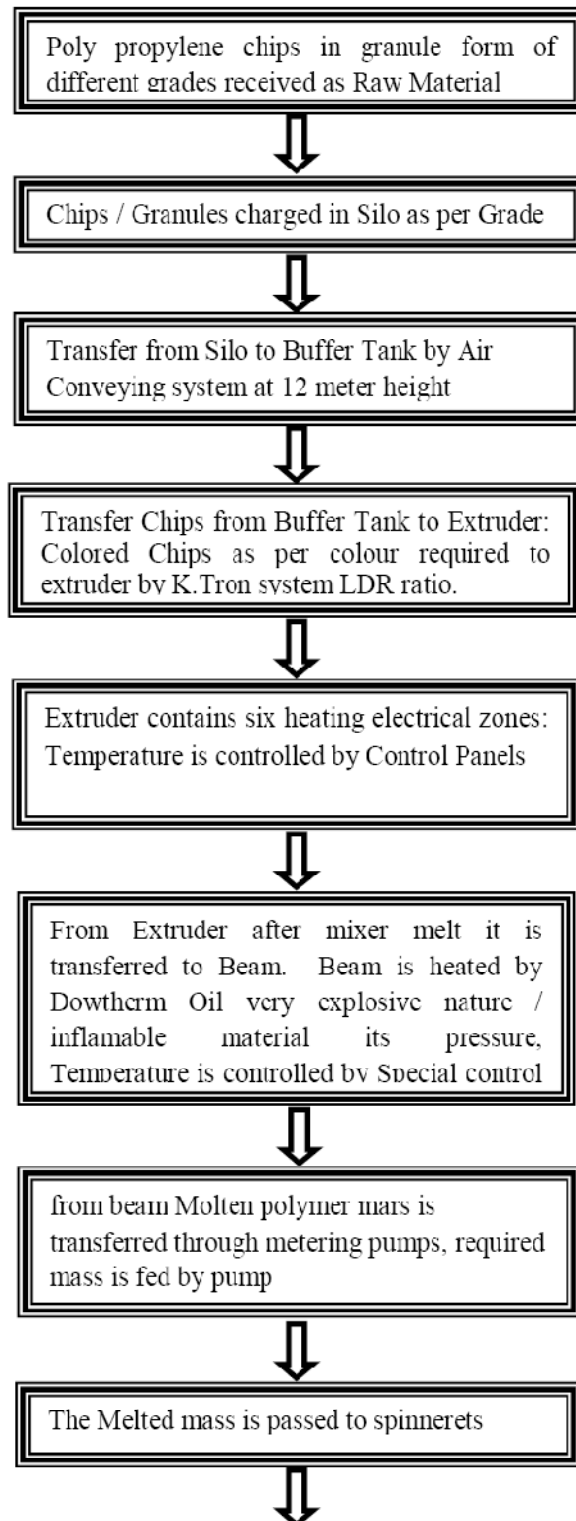
PRODUCT NAME	PRODUCT SPECIFICATIONS
Polypropylene Crimp Yarns	<ul style="list-style-type: none"> ❖ 120/2 (LT), 120/1 (Single), 120/2 (Twisted) ❖ 120/2 (Heider Mixture) in 40 colors.
Polypropylene High Tenacity FDY Yarns	<ul style="list-style-type: none"> ❖ 210, 400, 600, 840, 1000 & 1200 Denier Flat ❖ Twisted in Grey & Dope Dyed.
Polyester High Bulk Carpet yarn	❖ High bulk carpet yarn 1200*2P

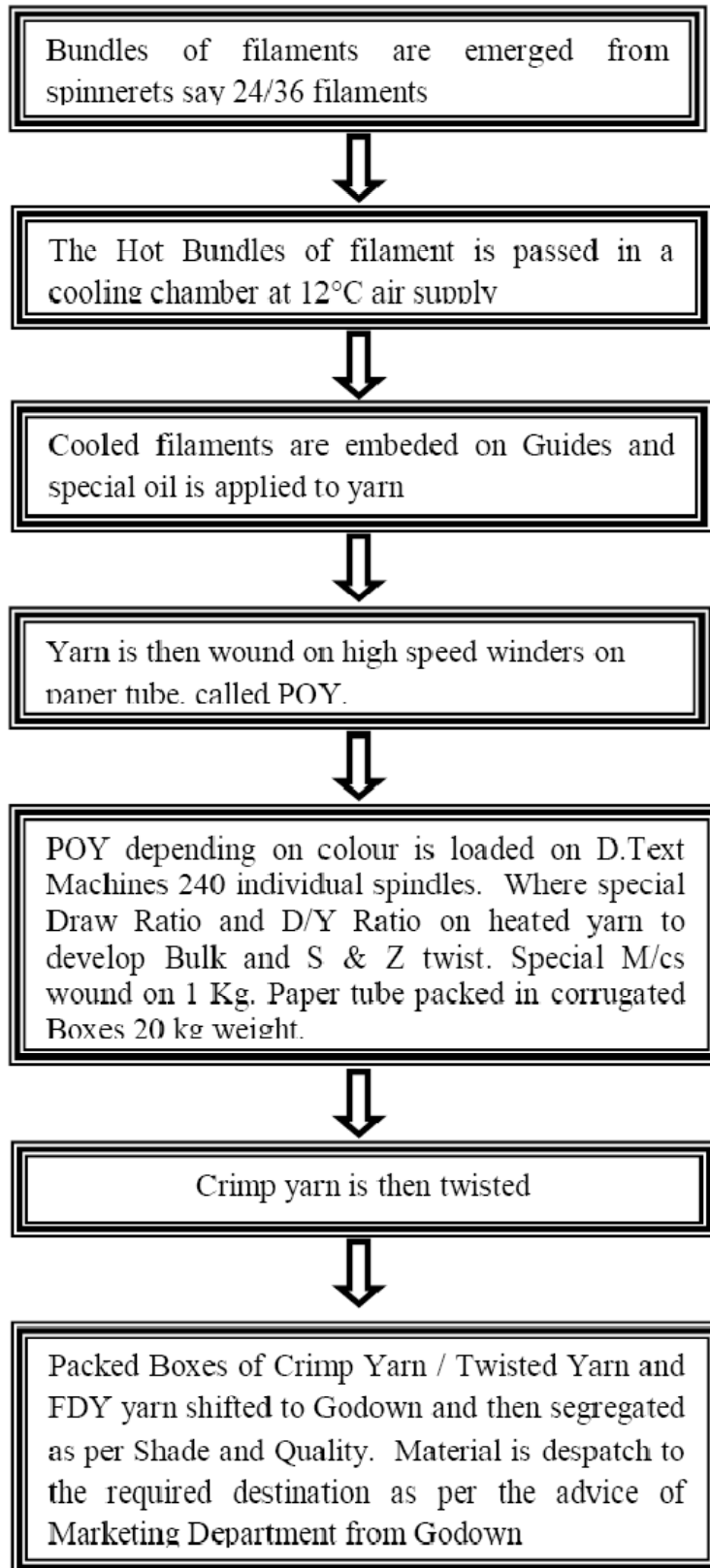
Polypropylene Properties Advantage



Source: <http://www.filatex.com/polypropylene-yarns.html>

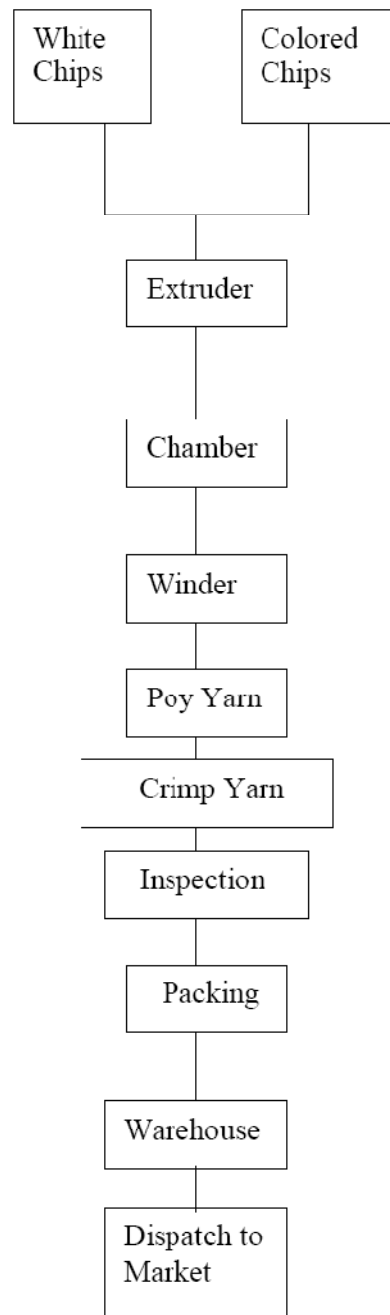
MANUFACTURING PROCESS FLOW CHART
(EXISTING PRODUCT- FDY)



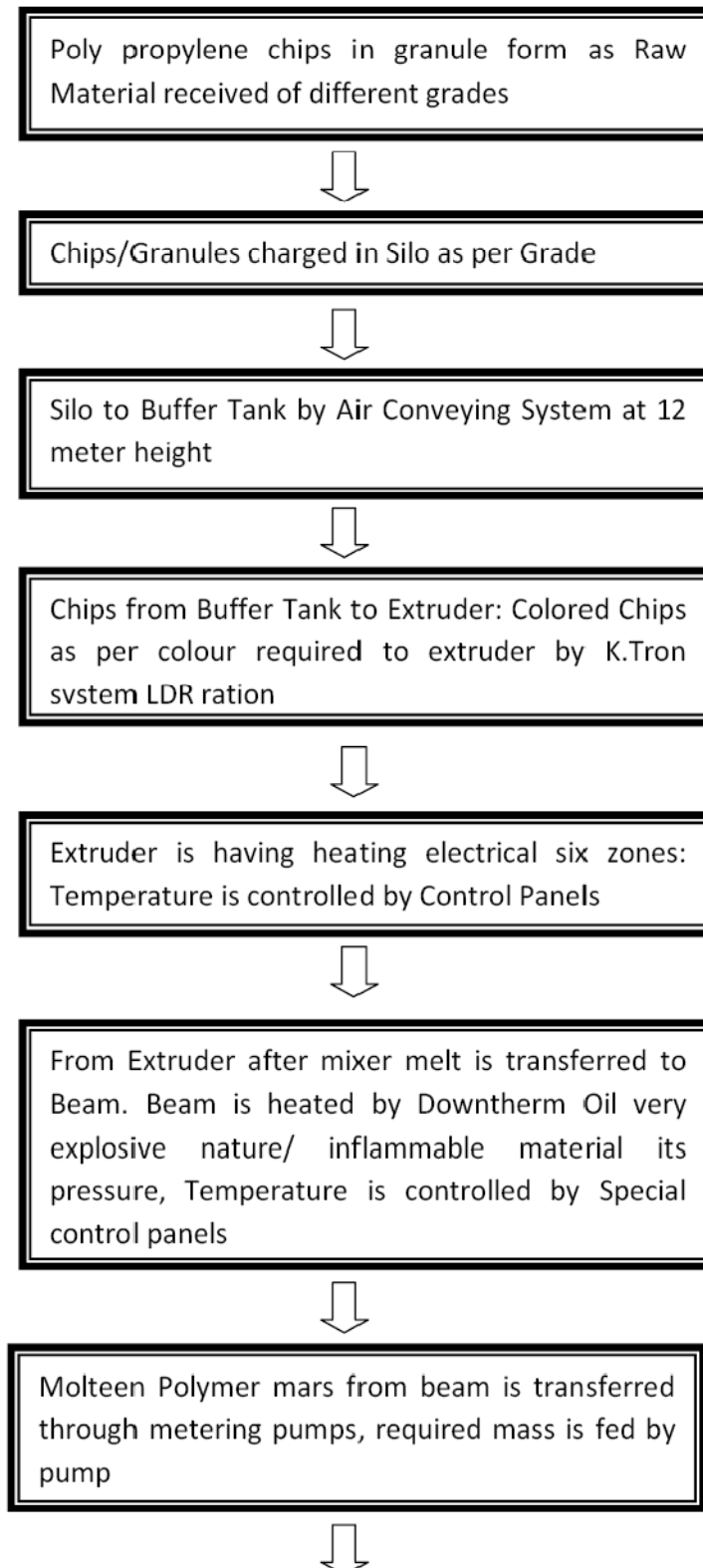


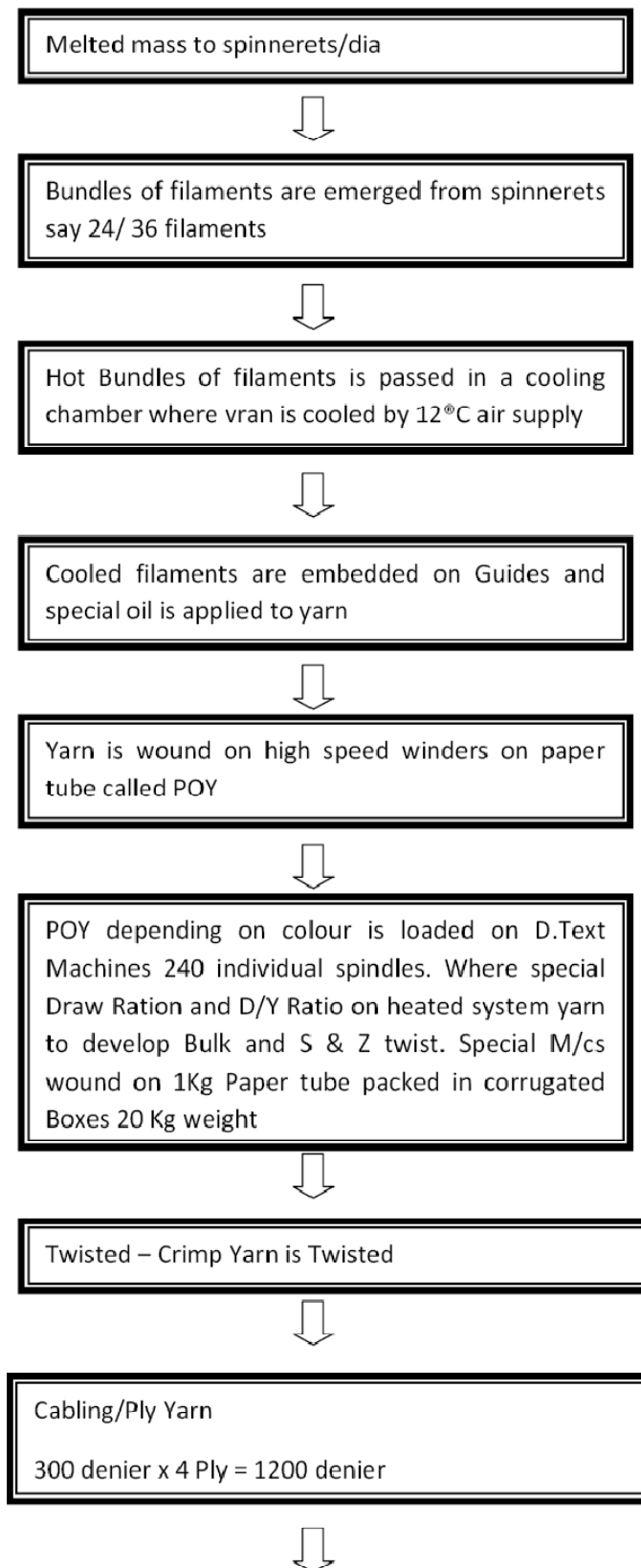
Process Flow Chart

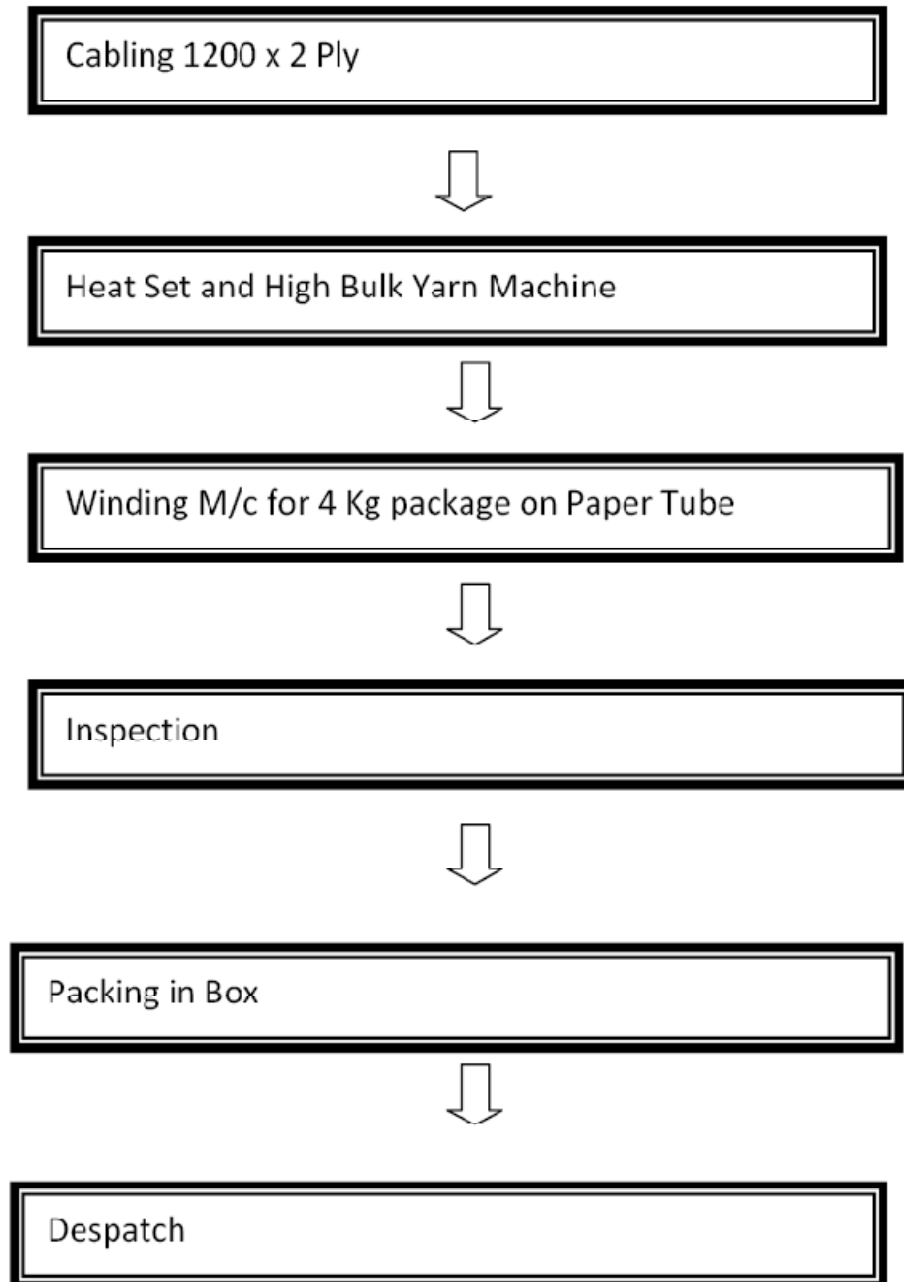
Existing Product- P.P Crimp Yarn



MANUFACTURING PROCESS FLOW CHART-CARPET YARN







KEY REGULATIONS AND POLICIES

The following description is a summary of various sector-specific laws and regulations in India, which are applicable to our Company. The information below has been obtained from publications in the public domain. It may not be exhaustive, and is only intended to provide general information and is neither designed nor intended to substitute for professional legal advice.

Income-tax Act, 1961

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

Central Excise Act, 1944

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

Customs Regulations

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

Service Tax

Chapter V of the Finance Act 1994 (as amended), and Chapter V-A of the Finance Act 2003 requires that where provision of certain Listed services, whole taxable services exceeds Rs. 10,00,000, a service tax with respect to the same must be paid. Every person who is Liable to pay service tax must register himself for the same.

Central Sales Tax Act (CST)

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

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013 (to the extent notified)

The Companies Act, 2013 has been published on August 29, 2013. Section 1 of the said Act was notified on August 30, 2013, while 98 more sections were notified as on September 12, 2013, section 135 and rules there under on 27/02/2014. The Ministry of Company Affairs has further notified 183 sections of the Act and Rules there under to be made effective from 01.04.2014.

The Competition Act, 2002

The Competition Act, 2002 (the “Competition Act”) prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as „Individuals and „Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (Act 1 of 2010) repeals and replaces the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985.

The Legal Metrology Act, 2009, inter alia, provides for,—

1. Regulation of weight or measure used in transaction or for protection;
2. Approval of model of weight or measure;
3. Verification of prescribed weight or measure by Government approved Test Centre;
4. Prescribing qualification of legal metrology officers appointed by the Central Government or State Government;
5. Exempting regulation of weight or measure or other goods meant for export;
6. Levy of fee for various services;
7. Nomination of a Director by a company who will be responsible for complying with the provisions of the enactment;
8. Penalty for offences and compounding of offences;
9. Appeal against decision of various authorities; and
10. Empowering the Central Government to make rules for enforcing the provisions of the enactment.

Industrial (Development and Regulation) Act, 1955

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

Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989

The purpose of Motor Vehicles Act, 1988 is to regulate the activities associated with the driving licences, vehicle registration, vehicles safety etc. The Central Motor Vehicle Rules, 1989 framed under the above Act also prescribe various road safety measures. The Motor Vehicles Act, 1988 and the Central Motor Vehicle Rules, 1989 (Chapter-II) prescribes stringent procedure for grant of Driving Licences. Changes in the said Act and related rules have a bearing on the business of the Company.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, applies to factories employing more than 20 employees and such other establishments and industrial undertakings as notified by the Government from time to time. It requires all such establishments to be registered with the relevant State Provident Fund Commissioner. Also, such employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance payable to employees. Employees are also required to make equal contribution to the fund. A monthly return is required to be submitted to the relevant State Provident Fund Commissioner in addition to the maintenance of registers by employers.

Employment (Standing Orders) Act, 1950

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

Employees State Insurance Act, 1948

Under the Employees State Insurance Act, 1948, ("ESI Act"), all establishments where 20 or more persons are employed are required to be registered with the Employees State Insurance Corporation. The ESI Act requires all employees of the factories and establishments to which it applies to be insured in the manner provided. Further, both employers and employees are required to make contribution to the ESI fund, of which returns are required to be filed with the ESI department.

In addition, under the provisions of local shops and establishments legislations applicable in the states in which commercial establishments are located, such establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, and other rights and obligations of the employers and employees. Such laws are enforced by the Chief Inspector of Shops and various inspectors under the supervision and control of the Labour Commissioner acting through the various District Deputy/Assistant Labour Commissioners.

Foreign Trade (Development and Regulation) Act, 1992

This statute seeks to increase foreign trade by regulating the imports and exports to and from India. This Legislation read with the Indian Foreign Trade Policy provides that no export or import can be made by a person or company without an importer exporter code number unless such person or company is specifically exempt.

An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

FEMA Regulations

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

OUR HISTORY AND CORPORATE STRUCTURE

HISTORY & BACKGROUND

Our Company was originally incorporated in Delhi as “Enn Tee International Private Limited” on 15th February, 1999 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. On June 11, 2014 it was converted to a Public Limited Company under the name of Enn Tee International Limited and fresh Certificate of Incorporation consequent upon change of name was issued by ROC, Delhi & Haryana. For further details in relation to change in management and change in name, please refer to section titled “Our History & Corporate Structure” on Page no. 87 of this Draft Prospectus.

Our Company is registered under the Companies Act, 1956 with registration no. 098394.

We are engaged in Business of manufacturing of Polypropylene Multifilament Yarn and we are going to enhance our production line by manufacturing of Carpet yarn.

The Registered and Corporate Office

The registered office and corporate office of our Company is situated at A-64/1, First Floor, G.T. Karnal Road Industrial Area, Azadpur, New Delhi-110 033.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY SINCE INCORPORATION

There is no change in the registered office of our company since incorporation.

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 objects for which our Company is established are:

1. To acquire & takeover the running business of M/s Shakti Exports, situated at A-64/1, G. T. Karnal Road Industrial Area, Delhi-110033 along with all its assets & liabilities. The said firm shall cease to exist after such takeover.
2. To carry on the business as buyers, sellers, suppliers, traders, manufacturers, producers, exporters, importers, indentors, brokers, agents, commission agents, carriers or in any other capacity, assemblers, packers, stockists, distributors, hire purchasers and dealers, of and in all kinds of man made fibers, cellulose, viscose, rayon yarn and fibres, synthetic fibre and yarns and such other fibres for fibrous materials, including polyester filament, yarn textiles of all kinds, readymade garments, wool, silk, hemp, flax and other business substances, blankets and any products of cotton, yarn and woolen textiles.
3. To carry on the business as buyers, sellers, suppliers, traders, producers, exporter, importers, brokers, agents, commission agents, carriers or in any other capacity, assemblers, packers, stockists, distributors, hire purchasers and dealers, of and in all kinds of ferrous and non-ferrous metals, industrial and other wastes and by product, consumer goods, household goods, cosmetic goods, hardware stores, plant, machinery, spare parts, and accessories, vessel, and other earth moving equipment commercial and raw jute and jute products, cement, chemicals, plastics, building materials, jewellery ornament, bullion, gold and silver ornaments, precious stones, real estate, wires, cables, conductors, coir and coir products, foam & its allied products, inorganic salt, dies and die intermediates, paints and varnishes, plastic and linoleum products, petrochemicals and pharmaceutical products, pesticides, fungicides, insecticides, food grains, bhujia, papad, namkeen, iron & steel, aluminium, stainless steel, engineering goods, electrical goods, data computer, electronic goods, toys and their components, plywood and ply-wood products, ceramic and allied products, processed materials including granite, explosive and graphite, glass and glass wares, refractories, surgical & scientific apparatus, rubber products, leather goods,

sports goods, paper ink, computer stationery, process goods, seafoods, spices, vegetable, wines, liquors and other alcoholic and nonalcoholic or synthetic drinks, tea, coffee, cement, oil seeds, essential oils and fat and their derivatives, tobacco products, handicrafts, books and periodicals, arms accessories and arms wares and decors, raw materials and products of Marine, Fish, Frozen, Shrimps, sea foods, animals, birds, reptiles, insects, bones, skins, arts and sculptures, watch, clock, musical instruments, furniture and fixture, vehicles, aircraft, water, fruits, flowers and all types of agricultural and horticultural products and all kinds of food preparation and all kinds of eatables tinned or preserve or otherwise that are made by bakers, confectioners, dairymen, grocers, ice merchants, wine merchants, sweetmeat seller and food suppliers and to refine, and prepare all kinds of food provisions either prepared, manufactured or in raw state and all substances, merchandise goods, machineries, commodities, implements and articles in India or in any part of the world.

CHANGES IN THE MEMORANDUM OF ASSOCIATION

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

DATE	AMENDMENT
01 st February, 2000	Increase in authorized capital of the Company from Rs. 1 Crore divided into 10,00,000 Equity Shares of Rs. 10 each to Rs. 2.5 Crore, divided into 25,00,000 Equity shares of Rs.10 each.
09 th March, 2010	Increase in authorized capital of the Company from Rs. 2.5 Crore divided into 25,00,000 Equity Shares of Rs. 10 each to Rs. 4Crore divided into 40,00,000 Equity shares of Rs.10 each.
14 th March, 2014	Increase in authorized capital of the Company from Rs. 4 Crore divided into 40,00,000 Equity Shares of Rs. 10 each to Rs. 10 Crore divided into 1,00,00,000 Equity shares of Rs.10 each.
14 th March, 2014	Change in Name of the Company due to conversion from Private Limited Company to Public Company.
26 th August, 2014	Changes in MOA and AOA incorporated as per the provisions of Companies Act, 2013.

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on the date of filing of the Draft Prospectus.

SUBSIDIARY OF OUR COMPANY

There is no subsidiary of our Company as on the date of filing of the Draft Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

COLLABORATION

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

STRATEGIC PARTNER

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

FINANCIAL PARTNER

Our Company does not have any financial partner as on the date of filing of the Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has Thirty three (33) shareholders on date of the Draft Prospectus.

MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than twelve (12) Directors. At present our Company has four (4) Directors on Board. The following table sets forth current details regarding our Board of Directors:

NAME, FATHER'S NAME, ADDRESS, OCCUPATION, NATIONALITY, TENURE & DIN	AGE	STATUS OF DIRECTORSHIP IN OUR COMPANY	OTHER DIRECTORSHIPS
1. Mr. Harish Chander S/o Mr. Nanak Chand Address:- A-269, Derawala Nagar, Delhi-110009. Tenure: Retire by Rotation Nationality: Indian Occupation: Business DIN: 00072497	59 yrs	Executive & Non-Independent Director	➤ Bright Polymers Private Limited. ➤ Enn Tee Textiles Private Limited. ➤ Him Chem Limited.
2. Ms. Mansi Aggi D/o Harish Chander Address: A-269, Derawala Nagar, Delhi-110009. Tenure : For a Fixed Term of Three years Nationality: Indian Occupation: Business DIN: 06556215	24 yrs	Managing Director	➤ Purna Agencies Private Limited.
3. Mr. Chetan Vig S/o Mr. Ashok Vij Address:- B/34-3128, New Tagore Nagar, Habibowal Kalan, Ludhiana Tenure: For a fixed term of Five Years Nationality: Indian Occupation: Business DIN: 06937496	36 yrs	Non-Executive & Independent Director	NIL
4. Mr. Vivek Malik S/o Mr. Himat Singh Malik Address: C-1/21, Phase-2, Ashok Vihar, Delhi- 110052 Tenure: For a fixed terms of Five Years Nationality: Indian Occupation: Business DIN: 06971258	27 yrs	Non- Executive & Independent Director	NIL

Note:

As on the date of the Draft Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.

2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

DETAILS OF DIRECTORS

Mr. Harish Chander, aged 59 years is one of the **Executive & Non-Independent Director** of our company. He has a vast experience of more than 40 years in the Textile Industry. He started business in 1974 by setting up a partnership concern M/s. Sobti Knitwear's for manufacturing of Hosiery Knitted Fabric. Within a span of 40 years the group became the largest texturiser in Punjab and one of the leading FDY, POY and Polypropylene manufacturer in the North in middle segment.

Ms. Mansi Aggi, aged 24 years is the **Managing Director** of Our Company. She has completed her bachelor's in Business Administration from Amity School of Business and Post Graduation in Business Management Specialization in Finance from Infinity Business School. She is associated with our Company as a Director since February 14, 2014. She was appointed as Managing Director of the Company on September 11, 2014.

Mr. Chetan Vig, aged 36 years is the **Non-Executive & Independent Director** of our company. He has done graduation in Commerce. He has a vast experience of about 9 years in business development, sales, retail operations in the textile industry & merchandising in consumer apparel industry, planning and supporting in respect of operational and administrative function. He is associated with our Company since August 14, 2014.

Mr. Vivek Malik, aged 27 years is the **Non-Executive & Independent Director** of our company. He has done Bachelor's of Business Administration from Amity School of Business, Noida. He has an experience of 3 years. He is working as a Proprietor in a construction firm named as "H S Builder". He is associated with our Company since September 11, 2014.

CONFIRMATIONS

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

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

There is no family relationship among the Directors except between Mr. Harish Chander and Ms. Mansi who are Father and Daughter.

BORROWING POWERS OF THE DIRECTORS

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on 23.09.2014 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our

Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 10 Crores.

TERMS OF APPOINTMENT AND COMPENSATION OF OUR DIRECTORS

Name	Ms. Mansi Aggi
Designation	Managing Director
Period	Three years with effect from 11.09.2014
Date of Appointment	Board Meeting dated 11.09.2014
Remuneration	Total Salary is Rs. 50000 per month. Salary breakup as follows: Basic Salary : 30000 House Rent Allowance: 12000 Conveyance Allowance: 3000 Medical: 2500 Other Allowance: 2500
Remuneration paid in FY 31st March, 2014	NIL

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

NON – EXECUTIVE DIRECTORS

Currently, Non-Executive Directors are not being paid sitting fees.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Four (4) Directors. We have two (2) Executive and Non Independent Director and two (2) Independent and Non-Executive Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the Listing Agreement.

The following committees have been formed in compliance with the corporate governance norms:

- A. Audit Committee
- B. Shareholders/Investors Grievance Committee
- C. Remuneration Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and Clause 52 of the Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on 01.09.2014. The terms of reference of Audit Committee complies with the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The Committee presently comprises of following three (3) directors. Mr. Chetan Vig is the Chairman of the Audit Committee.

S.NO.	NAME OF THE DIRECTOR	STATUS	NATURE OF DIRECTORSHIP
1.	Mr. Chetan Vig	Chairman	Non- Executive & Independent Director
2.	Mr. Vivek Malik	Member	Non- Executive & Independent Director
3.	Mr. Harish Chander	Member	Executive & Non-Independent Director

Role of Audit Committee

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

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
6. 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.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (c) sub section (3) of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings (e) Compliance with listing and other legal requirements relating to financial statements (f) Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
12. 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.
13. Discussion with internal auditors any significant findings and follow up there on.
14. 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.
15. 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.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
18. 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.
19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
20. Mandatorily reviews the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
21. Review the Financial Statements of its Subsidiary company, if any.
22. Review the composition of the Board of Directors of its Subsidiary company, if any.
23. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.
24. Review the Vigil mechanism (Whistle blowing) policy.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("Shareholder/ Investors Grievance Committee") to redress the complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 01.09.2014. The committee currently comprises of three (3) Directors. Mr. Vivek Malik is the Chairman of the Shareholders/ Investors Grievance committee.

S.NO.	NAME OF THE DIRECTOR	STATUS	NATURE OF DIRECTORSHIP
1.	Mr. Vivek Malik	Chairman	Non- Executive &Independent Director
2.	Mr. Chetan Vig	Member	Non- Executive & Independent Director
3.	Ms. Mansi Aggi	Member	Executive &Non-Independent Director

Role of shareholders/investors grievance committee

The Shareholders / Investors Grievance Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.
- The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

REMUNERATION COMMITTEE

Our Company has constituted a remuneration committee ("Remuneration Committee"). The Remuneration Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 01.09.2014. The committee currently comprises of three (3) Directors. Mr. Vivek Malik is the Chairman of the remuneration committee.

S.NO.	NAME OF THE DIRECTOR	STATUS	NATURE OF DIRECTORSHIP
1.	Mr. Vivek Malik	Chairman	Non-Executive &Independent Director
2.	Mr. Chetan Vig	Member	Non-Executive &Independent Director
3.	Ms. Mansi Aggi	Member	Executive &Non-Independent Director

The terms of reference of the remuneration committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

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 and Compliance Officer, Mr. Kuldeep Dahiya is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

SHAREHOLDING DETAILS OF THE DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

NAME OF DIRECTOR	NUMBER OF EQUITY	% OF PRE-ISSUE PAID UP
Mr. Harish Chander	4,73,343	12.80
Mrs. Mansi Aggi	-	-
Mr. Chetan Vig	-	-
Mr. Vivek Malik	-	-
TOTAL	4,73,343.00	

INTEREST OF DIRECTORS

All the Directors of our Company may be deemed to be interested to the extent of sitting fees and/or other remuneration if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses if any payable to them under the Articles of Association. All the Directors may also be deemed to be interested in the Equity Shares of our Company, if any, held by them, their relatives or by the companies or firms or trusts in which they are interested as directors / members / partners or that may be subscribed for and allotted to them, out of the present Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any other company in which they have direct /indirect interest or any partnership firm in which they are partners.

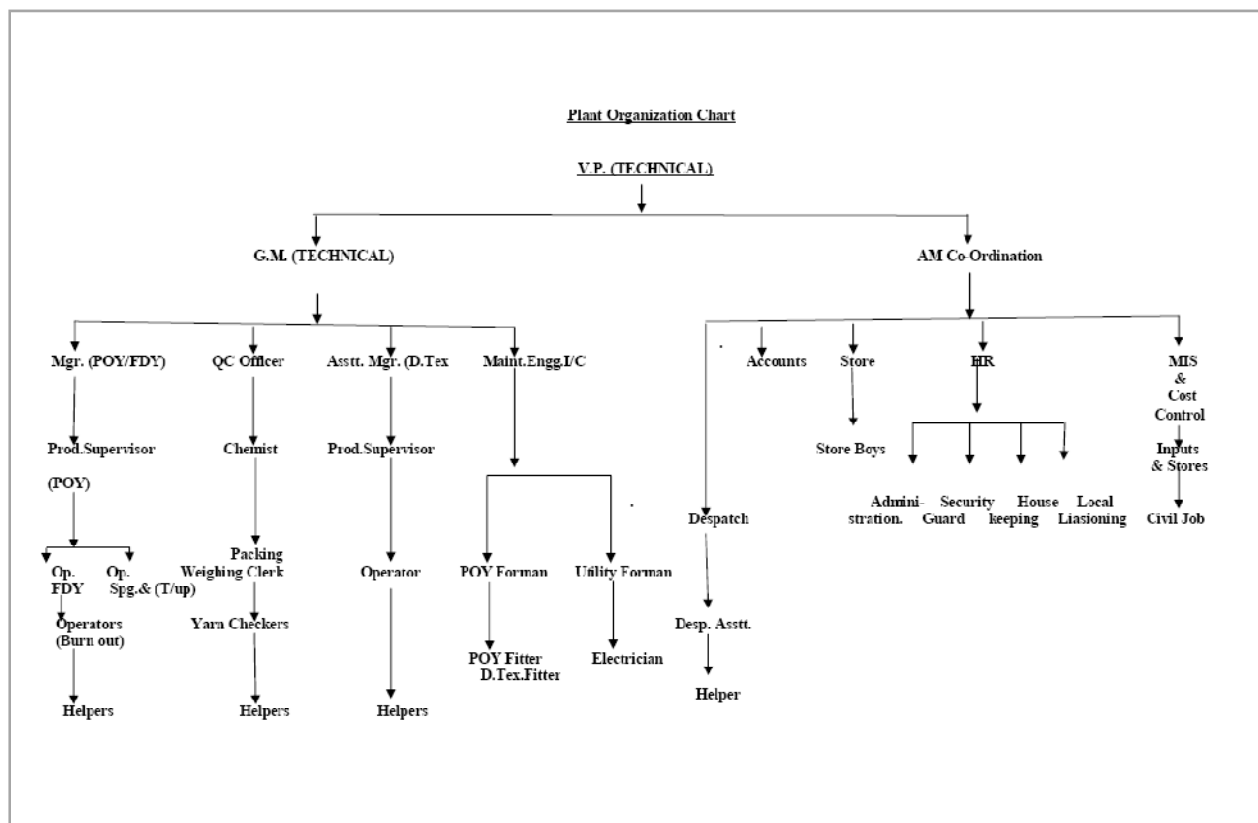
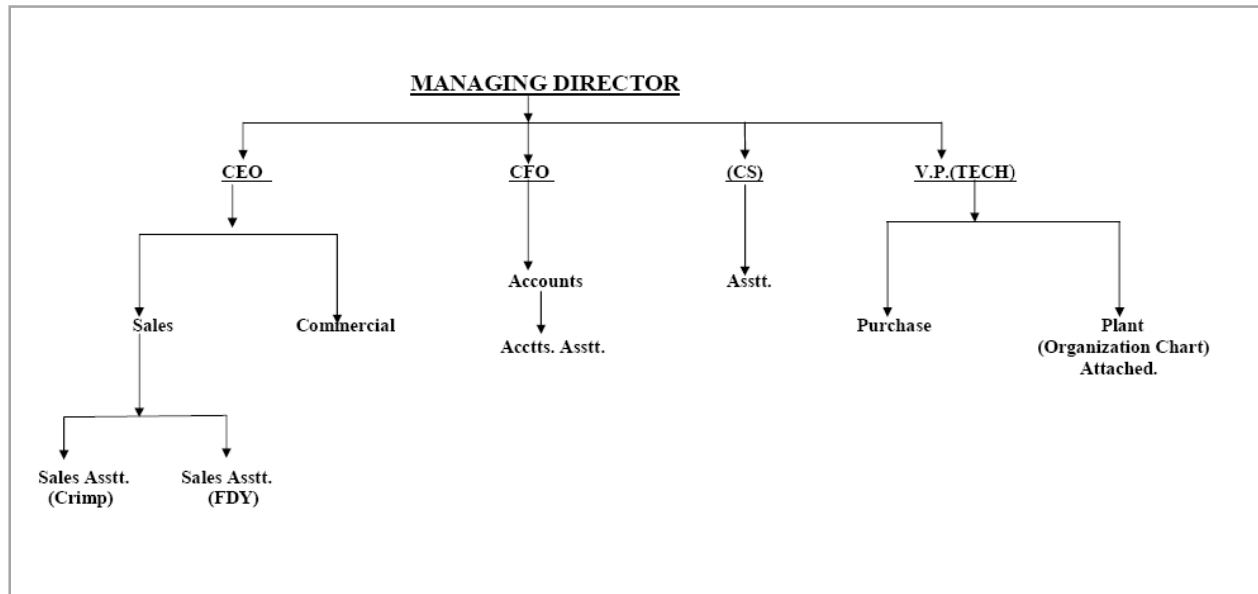
Our Directors may also be regarded interested to the extent of dividend payable to them and other distributions in respect of the Equity Shares, if any, held by them or by the companies / firms / ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which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

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE (3) YEARS

The changes in the Directors during last three (3) years are as follows:

NAME	DATE OF APPOINTMENT	DATE OF CESSATION	REASON
Mr. Sham Sunder	15.02.1999	14.08.2014	Resignation
Mr. Rajnish Handa	23.02.1999	01.04.2012	Resignation
Ms. Mansi Aggi	14.02.2014	-	Appointment
Ms. Mansi Aggi	11.09.2014	-	Appointment as Managing Director
Mr. Chetan Vig	14.08.2014	-	Appointment
Mr. Vivek Malik	11.09.2014	-	Appointment

ORGANISATION CHART



KEY MANAGERIAL PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of production/finance/distribution/marketing and corporate laws. The following key personnel assist the management of our Company:

NAME	DATE OF JOINING	DESIGNATION	FUNCTIONAL RESPONSIBILITY	QUALIFICATION	PREVIOUS EMPLOYMENT
Dr. S.K. Yadav	01.04.2010	Vice President (Technical)	Techno- commercial activities of the plant. and project planning	M.Sc & PHD in Polymer Science	Jindal Polyester Ltd, U.P
Mr. A.K. Sharma	20.04.2009	General Manager (Technical)	Production, Engineering activities of plant	Diploma in Electrical Engineering, M.B.A	Jiwan Polycot Ltd., Haridwar
Mr. S. P. Seth	01.06.2010	Marketing Head	Sales activities &marketing of the product	B.A.	Modern Petro fills. Ltd., New Delhi
Mr. Babu Lal Yadav	01.09.2009	Manager (Production)	Oversees the production of POY, FDY & Textured Yarn	B.Sc	Shree Shyam Filaments, Jaipur
Mr. Uday Raj Mishra	01.04.2009	Manager (Co-ordination)	Oversees the MIS Job, Dispatches & Civil Job activities of plant, Cost Effectiveness related matters, Godown status and in-time dispatches of the product	B.E. (Civil Engineering)	Him Chem Ltd. Nalagarh
Mr. Vinod Kumar Modi	01.04.2009	Manager (Purchase)	Oversees the purchases of Raw Material, Packing Material; Maintenance of Store items of plant and also responsible for maintaining the minimum stock level of all items.	B.A.	Pasupati Fabrics Ltd. New Delhi
Mr. Jitendra Kumar Rustagi	01.04.1999	Manager (Finance)	Responsible for planning of funds and their distribution and various other accounts related matters.	M.Com.	Parasrampur Industries Ltd

Mr. Kushal Veer Singh	01.09.2012	Officer (Accounts)	Oversees the Accounts related matters of the company	B.Com.	Anu Industries Ltd., Haridwar
Mr. Ranjeet Kumar Rai	14.07.2012	Officer (HR)	Oversees the recruitment & human resource activities and Labour administration matters of the company	B.A	Beam Industries pvt Ltd.
Mr. Dharam Vir Singh	01.11.2009	Officer (Commercial)	Oversees the Commercial activities & administration of the company	B.A.	-
Mr. Kuldeep Dahiya	15.05.2014	Company Secretary and Compliance Officer	Drafting of agreements, drafting of resolutions, preparation of minutes & compliance of the provisions of the Companies Act, 1956 & 2013.	Qualified Company Secretary	
Mr. S.K Ghosh	20.05.2014	Chief Executive Officer	General Administration, Project planning and Implementation, International Marketing & Finance.	<ul style="list-style-type: none"> • M. tech in Textile Engineering from M.S university. • Marketing Management Certificate course from M.S University • B.sc (tech) in textile technology from Calcutta University. 	<ul style="list-style-type: none"> • Winsome Knitwear for 2 yrs (Jan07-Jan09)
Mr. Subhash Gupta	01.09.2014	Chief Financial Officer	Over all Finance & Accounts	<ul style="list-style-type: none"> • Graduate 	<ul style="list-style-type: none"> • Him Chem Ltd

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. **Dr. S.K. Yadav**, aged 69 years, is the Vice President (Technical) of our Company. He holds a degree of M.Sc & PHD (Doctorate) in Polymer Science from IIT Roorkee, he is working with our Company since 2010. He oversees Techno-commercial activities of the plant and responsibility for smooth operations of the same. He has more than 46 years of experience in the field of Manmade Textile including Nylon, Polyester &

polypropylene yarn. Prior to joining our Company, he was associated with Jindal Polyester Ltd. Gulawati (U.P) and other various reputed companies. His total remuneration is Rs.3.20 Lacs per annum.

2. **Mr. A.K. Sharma**, aged 51 years, is the General Manager (Technical) of our Company. He hold a Diploma in Electrical Engineering from ITI Ghaziabad (U.P), he is associated with our Company since 2009. He oversees the Production, Engineering activities of plant and responsible for the smooth operations of the company. He has more than 30 years of experience in the field of Synthetic yarn industries. Previously, he was associated with Jiwan Polycot; Haridwar similar PP Industry and with various other Polypropylene industries. His total remuneration is Rs.4.30 Lacs per annum.
3. **Mr. S. P. Seth**, aged 57 years, is the Marketing Head of our Company. He holds a Degree of B.A. from Delhi University; he is working with our Company since 2010. He oversees the overall Sales activities from the plant and responsible for marketing of the product. He has more than 38 years of experience in the field of Selling the Polyester textured Yarn, Polypropylene Crimp Yarn & Polyester / PP FDY Yarn. Previously, he was associated with Modern Petro fills. Ltd., New Delhi and with various other companies. His total remuneration is Rs.2.50 Lacs per annum.
4. **Mr. Babu Lal Yadav**, aged 43 years, is the Manager (Production) of our Company. He holds a Degree of B.Sc. from Rajasthan University, he is associated with our Company since 2009. He oversees the POY, FDY & Textured Yarn Production and responsible for stabilizing the product and its Quality. He has more than 22 years of experience in this field (yarn production). Previously, he was associated with Shree Shyam Filaments, Jaipur and with various other companies of similar product.
5. **Mr. Uday Raj Mishra**, aged 40 years, is the Asstt. Manager (Co-ordination) of our Company. He hold a Degree of B.E. Civil Engineering from Gujarat State University, he is associated with our Company since 2009. He is responsible for the overall MIS Job, Dispatches & Civil Job activities of plant, Cost Effectiveness related matters, Godown status and in-time dispatches of the product. He has more than 20 years of experience in the field of Building Layout and civil constructions job. Previously, he was associated with Him Chem Ltd. Nalagarh and with various other companies of similar type.
6. **Mr. Vinod Kumar Modi**, aged 53 years, is the Manager (Purchase) of our Company. He hold a Degree of B.A. from Rohilkhand University Bareilly (Uttar Pradesh), he is associated with our Company since 2009. He oversees the overall purchases of Raw Material, Packing Material, and Maintenance Store items of plant and responsible for maintaining the minimum stock level of all items. He has more than 33 years of experience in the field of similar job. Previously, he was associated with Pasupati Fabrics Ltd. New Delhi and with various other companies of similar type.
7. **Mr. Jitendra Kumar Rustagi**, aged 45 years, is the Manager (Finance) of our Company. He hold a Degree of M.Com. from Rohilkhand University Bareilly (Uttar Pradesh), he is associated with our Company since 1999. He oversees the overall Financial matter of company, responsible for planning of funds and their distribution and various other accounts related matters. He has more than 25 years of experience in the field of similar job. Previously, he was associated with Parasrampur Industries Ltd. New Delhi. His total remuneration is Rs.2.28 Lacs per annum.
8. **Mr. Kushal Veer Singh**, aged 33 years, is the Officer (Accounts) of our Company. He holds a Degree of B.Com. from Ch. Charan Singh University, Meerut (Uttar Pradesh), he is associated with our Company since 2012. He oversees the Accounts related matters of the company. He has more than 7 years of experience in this

field. Previously, he was associated with Anu Industries Ltd., Haridwar. His total remuneration is Rs.1.50 Lacs per annum.

9. **Mr. Ranjeet Kuamr Rai**, aged 44 years, is the Officer (HR) of our Company. He holds a Degree of B.A. He is associated with our Company since July 14, 2014. He oversees the recruitment activities and various other human resource activities; Labour administration matters of the company. He has more than 16 years of experience in this field.
10. **Mr. Dharam Vir Singh**, aged 46 years, is the Officer (Commercial) of our Company. He holds a Degree of B.A. from Delhi University; he is associated with our Company since 2009. He oversees the Commercial activities & administration of the company and responsibility of maintaining the related heads. He has over 25 years of experience in the field of similar job.
11. **Mr. Kuldeep Dahiya**, aged 25 years, is a Company Secretary & Compliance Officer of our Company. He is an associate member of The Institute of Companies Secretaries of India. He is associated with our Company from May 15, 2014. His scope of work and responsibilities includes drafting of Agreements, Drafting of Resolutions, Preparation of Minutes & compliance with the provisions of Companies Act, 2013.
12. **Mr. Samir Kumar Ghosh**, aged 63 years, is a Chief Executive Officer of Our Company. He is associated with us since 20.05.2014. His scope of work and responsibilities includes general Administration, Project planning and Implementation, International Marketing and Finance. He is having 41 years of Industry experience.
13. **Subhash Gupta**, aged 46 years, is Chief Financial Officer of our company. He hold a Degree of Graduation from Delhi University, he is associated with our company from 01.09.2014. He has vast experience of more than 25 years in the field of accounts & finance. At present he is looking after the overall finance & accounts of the company.

FAMILY RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

As on date, none of the key managerial persons is having family relation with each other. All of key managerial personnel are permanent employee of our company.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date, none of the key managerial personnel hold any Equity Shares of our Company.

BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

LOANS TO KEY MANAGERIAL PERSONNEL

There are no loans outstanding against Key Managerial Personnel as on date of this Draft Prospectus.

CHANGES IN KEY MANAGERIAL PERSONNEL OF OUR COMPANY DURING THE LAST THREE (3) YEARS

The changes in the Key Managerial Employees of the Issuer during the last three (3) years are as follows:

Name	Date of Appointment	Date of Cessation	Reason
Mr. Kushal Veer Singh	1.09.2012	-	Appointment
Mr. Ankit Sharma	-	30.04.2014	Resignation
Mr. Kuldeep Dahiya	15.05.2014	-	Appointment
Mr. Samir Kumar Ghosh	20.05.2014	-	Appointment
Ms. Mansi Aggi	11.09.2014	-	Appointment as Managing Director
Mr. Subhash Gupta	01.09.2014	-	Appointment

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

OUR PROMOTERS

The Promoters of our Company are:

I. Individual Promoter:


1. Mr. Harish Chander
2. Mrs. Raman

II. Corporate Promoter:

1. M/s Harish Trading Co. (HUF)
2. M/s Bright Polymers Private Limited
3. M/s Enn Tee Textiles Private Limited
4. M/s Euro Spin Fab Private Limited

1. DETAILS OF OUR INDIVIDUAL PROMOTERS ARE AS UNDER:


1. Mr. Harish Chander

	<p>Mr. Harish Chander, aged 59 years is one of the Promoter and Executive & Non-Independent Director of our company. He is undergraduate. He has a vast experience of about 40 years in the Textile Industry. He is well associated with day to day affairs of this company. He has been on the Board of Directors of our Company since inception. For further details relating to Mr. Harish Chander, including address and other directorships, see the section titled “Our Management” on page no 90 of this Draft Prospectus.</p>
---	---

Identification

Name	Mr. Harish Chander
Permanent Account Number	AADPC6500A
Passport No.	F6028036
Voter ID	DL\06\062\213224
Driving License	-
Bank Account Details	Account Number 015401005213 with ICICI Bank Limited.

2. Mrs. Raman

	<p>Mrs. Raman, aged 57 years, is one of the Promoters of our Company. She is an Intermediate in Arts stream and has more than 15 years of experience. She started her business journey in 1999 with our company where she has been responsible for administration and human resource management. As a Promoter of our company, she is playing a key role in the growth of our Company.</p>
---	--

Identification

Name	Mrs. Raman
Permanent Account Number	AAEPR4169F
Passport No.	F9672712
Voter ID	DL\06\062\213231
Driving License	-
Bank Account Details	Account Number 03282010054910 with ICICI Bank Limited

2. Brief Profile of Our Corporate Promoter

1. M/s Harish Trading Co. (H.U.F) (HTC)

Name	M/s Harish Trading Co. (H.U.F)
PAN	AAHH2802R
Bank Account Number	A/C NO. 03281010009550
Name of the Bank and Branch	Oriental Bank of Commerce, G.T. Karnal Road,

Brief History and Background

HTC was setup on September 25, 1978 as a Hindu Undivided Family (H.U.F). The registered office of HTC is situated at A-269, Derawalan Nagar, Delhi- 110009. The H.U.F is currently engaged in the trading of fabrics. The H.U.F was originally promoted by Mr. Harish Chander as Karta.

HTC currently holds 49,430 Equity Shares of our Company, which constitutes 1.33 % of our Pre-Issue paid-up share capital. The Post-Issue shareholding of HTC will be 0.50%. For details of the build-up of our HTC's shareholding in our Company, please see "Capital Structure – Notes to Capital Structure" on 39 of this Draft Prospectus.

The financial highlights of HTC for the last three years (Audited) are as under:

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Capital	64,78,405.05	60,62,206.90	55,23,346.90
Gross Total Income	17,01,341.00	13,61,560.00	16,70,698.00
Net Profit	4,50,191.15	4,05,980.00	6,84,802.00

2. M/s Euro SpinFab Private Limited (ESPL)

Name	M/s Euro Spin Fab Private Limited
PAN	AAACE9528Q
Company Registration Number	U17112DL2002PTC113829
Address of ROC with which the company was registered	4 th Floor, IFCI Tower, 61, Nehru Place, New Delhi- 110 019
Bank Account Number	A/C NO. 03281131000399
Name of the Bank and Branch	Oriental Bank of Commerce, G.T. Karnal Road,

Brief History and Background

ESPL was incorporated on January 15, 2002 as a private limited company under the Companies Act, 1956 as 'Euro Spinfab Private Limited. (ESPL) and was registered with the Registrar of Companies, Delhi. Euro Spinfab Private Limited's Corporate Identification number (CIN) is U17112DL2002PTC113829.

The registered office of ESPL is situated at 1008 Delhi House, Barakhamba Road, Delhi 110001. The Company is currently involved in the business of manufacturing and trading of good quality fabrics.

Mr. Kanwal Kumar and Mr. Kamal Sapra are currently on the board of the company.

ESPL currently holds 4,00,000 Equity Shares of our Company, which constitutes 10.81 % of our Pre-Issue paid-up share capital. The Post-Issue shareholding of ESPL will be 4.12%. For details of the build-up of our ESPL's

shareholding in our Company, please see “Capital Structure – Notes to Capital Structure” on 39 of this Draft Prospectus.

Further, we confirm that, compliance with SEBI (SAST) Regulations and Listing Agreement was not applicable, since shares of ESPL were not listed on any Stock Exchange in India at the time of said acquisitions.

The financial highlights of **ESPL** for the last three years (Audited) are as under:

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	12,00,000.00	11,00,000.00	11,00,000.00
Reserves and Surplus (excluding revaluation reserves)	53,31,061.00	53,57,673.00	53,85,106.00
Sales	0.00	0.00	0.00
Profit/(loss) after tax	(26,612.00)	(27,433.00)	(2,26,373.00)
Earnings per share (in Rs.)	0.00	0.00	0.00
Per Share Price (in Rs.)	10	10	10
Diluted earnings per share (in Rs.)	0.00	0.00	0.00
Net asset value per share (in Rs.)	54.42	58.70	58.95

The Shareholding of **ESPL** as on August 16, 2014 is as under:

S.No.	Name of the Shareholder	Amount per Share	No. of Equity	% of the Paid-Up Capital
1	Shri Harish Chander	10	1,05,000	87.5
2	Smt Raman	10	5,000	4.17
3	Kanwal Kumar	10	10,000	8.33
	Total		1,20,000	

3. M/s Enn Tee Textile Private Limited (ETTPL)

Name	M/s Enn Tee Textile Private Limited
PAN	AABCE6910H
Company Registration Number	U18101PB1995PTC017413
Address of ROC with which the company was registered	Kothi No. 286, Defence Colony Jalandhar - 144001
Bank Account Number	A/C No. 55116954754
Name of the Bank and Branch	State Bank of Patiala, Miller Ganj, Ludhiana.

Brief History and Background

ETTPL was incorporated on December 11, 1995 as a private limited company under the Companies Act, 1956 as ‘Enn Tee Textile Private Limited. (ETTPL)’ and was registered with the Registrar of Companies, Punjab, Chandigarh & Himachal Pradesh.

The registered office of ETTPL is situated at D -190 B Phase VI focal Point, Ludhiana-141010. The company is currently involved in the business of Textile.

Mr. Harish Chander and Mrs. Raman are currently on the board of the company.

ETTPL currently holds 5,80,000 Equity Shares of our Company, which constitutes 15.68 % of our Pre-Issue paid-up share capital. The Post- Issue shareholding of ETTPL will be 5.98%. For details of the build-up of our ETTPL’s

shareholding in our Company, please see “Capital Structure – Notes to Capital Structure” on 39 of this Draft Prospectus.

Further, we confirm that, compliance with SEBI (SAST) Regulations and Listing Agreement was not applicable, since shares of ETTPL were not listed on any Stock Exchange in India at the time of said acquisitions.

The financial highlights of ETTPL for the last three years (Audited) are as under:

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	2,32,64,000.00	2,32,64,000.00	2,32,64,000.00
Reserves and Surplus (excluding revaluation reserves)	2,82,83,310.00	2,81,66,434.00	2,66,07,789.00
Sales	19,85,840.00	21,00,054.00	-
Profit/(loss) after tax	1,16,876.00	15,58,645.00	1,67,88,073.00
Earnings per share (in Rs.)	0.05	0.67	7.22
Price Per share (in Rs.)	10	10	10
Diluted earnings per share (in Rs.)	0.05	0.67	7.22
Net asset value per share (in Rs.)	22.15	22.10	21.43

The Shareholding of ETTPL as on August 11, 2014 is as under:

S.No.	Name of the Shareholder	Amount per Share	No. of Equity	% of the Paid-Up Capital
1	Harish Chander	10	35500	1.53
2	Harish Trading Co. (H.U.F)	10	20000	0.86
3	Nanak Chand	10	497990	21.41
4	Smt. Pinki Sethi	10	5000	0.21
5	Smt. Poonam	10	137000	5.89
6	Smt. Raman	10	10000	0.43
7	Smt. Thakur Devi	10	8000	0.34
8	Vijay Kumar	10	40600	1.75
9	Saraswati Commercial Ent. Ltd.	10	90000	3.87
10	Amit Aggarwal	10	10	0.00
11	Amit Kumar & Co.	10	35000	1.50
12	Anil Arora	10	10000	0.43
13	Anurag Nath	10	50	0.00
14	Ashok Kumar	10	9000	0.39
15	Bharat Kumar	10	10000	0.43
16	Bulaki Ram	10	140000	6.02
17	Gulshan Kumar Chaudhary	10	11000	0.47
18	JVD Leasing & Finance Pvt. Ltd.	10	100000	4.30
19	Manoj Chug	10	50	0.00
20	Manoj Kumar	10	50000	2.15
21	Miss Richa Aggarwal	10	10	0.00
22	Mohinder Pal	10	7000	0.30
23	Mrs. Vijay	10	10	0.00
24	Parshotam Periwal	10	50000	2.15
25	Performance Trading & Investment Pvt. Ltd.	10	25000	1.07
26	Powerworld Innovators Pvt. Ltd.	10	100000	4.30
27	R.K.G Finvest Ltd.	10	125000	5.37

28	Rajeev Kumar	10	100000	4.30
29	Rajesh Khanna	10	50	0.00
30	Ram Murti Khanna & Sons (H.U.F)	10	50	0.00
31	Ram Parkash	10	100000	4.30
32	Ramesh Chug	10	20000	0.86
33	S.P. Singh	10	15000	0.64
34	S.S Periwal	10	100000	4.30
35	Sat Pal Jindal	10	10	0.00
36	Sh.Pankaj Periwal	10	100000	4.30
37	Shanker Woolen Mills	10	10	0.00
38	Shyam Sunder Sapra	10	10000	0.43
39	Smt. Krishna Rani	10	50000	2.15
40	Smt. Meena Kumari	10	25000	1.07
41	Smt. Mona	10	50000	2.15
42	Smt. Ranjana Anand	10	10	0.00
43	Smt. Usha Rani	10	15000	0.64
44	Smt.Kamal Periwal	10	50000	2.15
45	Sober Associates Pvt. Ltd.	10	25000	1.07
46	Technocom Associates Pvt. Ltd.	10	25000	1.07
47	Transpam Financial Services Pvt. Ltd	10	25000	1.07
48	V.K. Jaiswal	10	50	0.00
49	Visage Holding & Finvest Pvt. Ltd.	10	50000	2.15
50	Wintex Imports & Exports Ltd.	10	50000	2.15
	TOTAL		2326400	100.00

4. M/s Bright Polymers Private Limited (BPPL)

Name	M/s Bright Polymers Private Limited
PAN	AAACB3385Q
Company Registration Number	U74899DL1991PTC046491
Address of ROC with which the company was registered	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi- 110 019
Bank Account Number	A/C NO. 03281010002670
Name of the Bank and Branch	Oriental Bank Of Commerce,G.T. Karnal Road,

Brief History and Background

BPPL was incorporated on November 25, 1991 as a private limited company under the Companies Act, 1956 (BPPL)' and was registered with the Registrar of Companies, Delhi.

The registered office of BPPL is situated at A-64/1 G.T. Karnal Road Indl. Area Vijay Cinema, Delhi- 110033. The Company is currently involved in the business of trading of polyester yarn. Mr. Harish Chander, Mr. Ashok Kumar Chaudhary, Mrs. Raman and Mr. Gulshan Kumar are currently on the board of the company.

BPPL currently holds 1,65,500 Equity Shares of our Company, which constitutes 4.47 % of our Pre-Issue paid-up share capital. The Post-Issue shareholding of BPPL will be 1.70%. For details of the build-up of our BPPL's shareholding in our Company, please see "Capital Structure – Notes to Capital Structure" on 39 of this Draft Prospectus.

Further, we confirm that, compliance with SEBI (SAST) Regulations and Listing Agreement was not applicable, since shares of the BPPL were not listed on any Stock Exchange in India at the time of said acquisitions.

The financial highlights of **BPPL** for the last three years (Audited) are as under:

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	1,51,82,000.00	1,36,82,000.00	1,36,82,000.00
Reserves and Surplus (excluding revaluation reserves)	46,88,921.00	77,46,283.00	73,09,579.00
Sales	6,74,36,843.00	12,74,97,952.00	26,23,23,945.00
Profit/(loss) after tax	(30,62,756.00)	4,36,704.00	7,58,461.00
Earnings per share (in Rs.)	(20.00)	3.00	5.54
Price Per Share (in Rs.)	100	100	100
Diluted earnings per share (in Rs.)	(20.00)	3.00	5.54
Net asset value per share (in Rs.)	130.88	156.61	153.42

The Shareholding of **BPPL** as on August 16, 2014 is as under:

S.No.	Name of the Shareholder	Amount per Share	No. of Equity Shares	% of the Paid-Up Capital
1	Harish Chander	100	17600	11.59
2	Harish Trading Co. (H.U.F)	100	16000	10.54
3	Kanwal Kumar	100	4660	3.07
4	Madan Lal	100	60	0.04
5	Manish Aggi	100	5060	3.33
6	Nanak Chand	100	100	0.07
7	Smt. Raman	100	15520	10.22
8	Smt. Thakur Devi	100	2250	1.48
9	Saraswati Commercial Ent. Ltd.	100	5000	3.29
10	Ashok Kumar	100	5650	3.72
11	Ashok Kumar Chaudhary	100	1120	0.74
12	Bulaki Ram	100	2500	1.65
13	Jugal Kishore	100	5000	3.29
14	Kiran Jain	100	2000	1.32
15	Miss Rhea Nagpal	100	10000	6.59
16	Mohan Lal	100	2500	1.65
17	Mrs. Madhu	100	5000	3.29
18	Ms. Priyanka	100	3500	2.31
19	Munit Kaur Oberoi	100	20	0.01
20	Nem Dass Jain	100	2000	1.32

21	Parbhu Dayal Chaudhary	100	160	0.11
22	Pinki Sethi	100	160	0.11
23	Rajesh Maheshwary	100	5000	3.29
24	Rajnish Kumar	100	160	0.11
25	Sanjay Kumar Karwa	100	5000	3.29
26	Satinder Kaur Oberoi	100	20	0.01
27	Shyam Sunder Periwal (Huf)	100	10000	6.59
28	Smt Sheela Devi	100	140	0.09
29	Smt. Sita Devi	100	10000	6.59
30	Subhash Chander Kwatra	100	200	0.13
31	Suresh Kumar Gupta	100	200	0.13
32	Suresh Sethi	100	140	0.09
33	Usha Rani	100	100	0.07
34	Mr. N.R. Soni	100	5000	3.29
35	Mr.S.S.Periwal(HUF)	100	5000	3.29
36	Mr. Pankaj Periwal	100	5000	3.29
	Total		151820	100.00

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of the Promoters will be submitted to the SME platform (EMERGE) of NSE Exchange, where the securities of our Company are proposed to be listed at the time of submission of Draft Prospectus.

COMMON PURSUITS OF OUR PROMOTERS

Our Promoters do not have any common pursuits and are not engaged in the business similar to those carried out by our Company.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by themselves as well as their relative and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in whom either of them is interested as a director, member or partner. In addition, our Promoters, being Director and Managing Director, may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association and to the extent of remuneration, if any, paid for services rendered as an officer or employee of our Company as stated in section titled “Our Management” on page no 90 of this Draft prospectus.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company since incorporation.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters together hold 20,85,891 Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company and benefits as provided in the section titled ‘Terms of appointment and compensation of our Directors’ on page no 90 and page no 90, our Promoters does not hold any other interest in our Company.

Also see “Our Management-Interest of Directors” on page no 90 of Draft Prospectus.

PAYMENT AMOUNTS OR BENEFIT TO OUR PROMOTERS DURING THE LAST TWO YEARS

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Prospectus except as mentioned / referred to in this chapter and in the section titled ‘Our Management’, ‘Financial Information’ and ‘Capital Structure’ on page no 90, page no 118 and page no 39 respectively of this Draft Prospectus. Further as on the date of the Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled “Outstanding Litigation and Material Developments” on page no 137 of the Promoters. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

RELATED PARTY TRANSACTIONS

Except as disclosed in the section titled “Related Party Transactions” beginning on page no 117, our Company has not entered into any related party transactions with our Promoters.

OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES PROMOTER GROUP INDIVIDUALS

The following natural persons (being the immediate relative of our Promoter) form part of our Promoter Group:

Relatives of Promoters:

Relationship	Mr. Harish Chander	Mrs. Raman
SPOUSE	Mrs. Raman	Mr. Harish Chander
FATHER	Late Sh. Nanak Chand	Late Sh. Chunni Lal
MOTHER	Late Smt. Thakur Devi	Late Smt. Dev Kumari
BROTHER	<ul style="list-style-type: none"> Mr. Vijay Kumar 	<ul style="list-style-type: none"> Mr. Harish Suneja Mr. Rakesh Kr Suneja Mr. Amit Suneja
SISTER	<ul style="list-style-type: none"> Mrs. Pinki Sethi Mrs. Darshna Kwatra Mrs. Prema Handa Mrs. Rita Dawar 	--
SON	<ul style="list-style-type: none"> Mr. Manish Aggi Mr. Kanwal Kumar 	<ul style="list-style-type: none"> Mr. Manish Aggi Mr. Kanwal Kumar

DAUGHTER	• Ms. Mansi Aggi	• Ms. Mansi Aggi
DAUGHTER IN LAW	• Mrs. Kanika Aggi • Mrs. Neha Aggi	• Mrs. Kanika Aggi • Mrs. Neha Aggi

PROMOTER GROUP COMPANIES AND ENTITIES

As specified in Clause 2 (zb) of the SEBI Regulation, the companies, HUFs, partnership firms and other entities, that form part of our Promoter Group are as follows:

LISTED COMPANIES WITHIN OUR PROMOTER GROUP

There is no listed Company in our Promoter Group.

UNLISTED COMPANIES WITHIN OUR PROMOTER GROUP

Following is the list of Unlisted Companies in Our Promoter Group:

- Him Chem Limited.
- Purna Agencies Private Limited.
- Synergy Textiles Limited.

1. Him Chem Limited (HCL)

Him Chem Limited (CIN: U00000HP1975PLC003592) was set up on September 15, 1975 under the Companies Act. The registered office of HCL is at Village Kherapinjore, Nalagarh, District Solan, Himachal Pradesh – 174101. HCL is primarily engaged in manufacturing and trading business of Textured Polyester Yarn, Polyester Filament Yarn and Polypropylene Yarns in Delhi and Ludhiana.

As of September 30, 2013, our Promoters jointly hold 54.95% of the issued and paid up capital of HCL.

Shareholding Pattern

The shareholding of HCL as on August 16, 2014, is as follows:

S.No.	Name	Amount Per Share	No. of equity shares held	% of equity shares held
1.	Harish Chander	1000	7220	7.96
2.	Harish Trading Co. (H.U.F)	1000	1575	1.74
3.	Kanwal Kumar	1000	1509	1.66
4.	Manish Aggi	1000	4690	5.17
5.	Nanak Chand	1000	4381	4.83
6.	Nanak Chand & Sons (HUF)	1000	1100	1.21
7.	Smt. Pinki Sethi	1000	1400	1.54
8.	Smt. Raman	1000	9598	10.59
9.	Smt. Thakur Devi	1000	1310	1.45
10.	Bright Polymers Pvt. Ltd	1000	10450	11.53
11.	Enn Tee International Pvt. Ltd.	1000	2756	3.04
12.	Enn Tee Textiles Pvt. Ltd.	1000	19320	21.31
13.	Euro Spin Fab Pvt. Ltd.	1000	1650	1.82
14.	Saraswati Commercial Ent. Ltd.	1000	4840	5.34
15.	Synergy Textiles Limited	1000	3400	3.75

16.	Amba Alloys Pvt. Ltd.	1000	1000	1.10
17.	Ashish Mishra	1000	500	0.55
18.	Ashok Kumar Chaudhary	1000	280	0.31
19.	Betsy Growth Finance Ltd.	1000	1300	1.43
20.	Gourdin Herbal India Ltd.	1000	1500	1.65
21.	Gulshan Kumar Chaudhary	1000	280	0.31
22.	K.B. Miglani	1000	400	0.44
23.	Kishan Kumar Dwivedi	1000	500	0.55
24.	Krishan kumar	1000	240	0.26
25.	Laxmi Textiles Industries	1000	350	0.39
26.	Sandeep Kumar Vastava	1000	500	0.55
27.	Sanjay Kr. Gupta	1000	2	0.00
28.	Sheetal Kumar	1000	100	0.11
29.	Shyam Sunder Sapra	1000	80	0.09
30.	Smt. Santosh Gupta	1000	10	0.01
31.	Smt. Neena Gupta	1000	10	0.01
32.	Smt. Radha Goel	1000	5	0.01
33.	Smt. Sunita Goel	1000	5	0.01
34.	Stellar Investment Ltd.	1000	1500	1.65
35.	Subhash Chander Kwatra	1000	450	0.50
36.	Sunil Gupta	1000	160	0.18
37.	Sunshine Capital Ltd.	1000	700	0.77
38.	Suraj Holding Ltd.	1000	4000	4.41
39.	Surender Khatri	1000	500	0.55
40.	Suresh Sethi	1000	80	0.09
41.	The Farmer Agro Co-op Market & Efficient Supply Ltd	1000	1000	1.10
	TOTAL	1000	90651	100.00

Board of Directors

The board of directors of HCL as of August 07, 2014, is Mr. Manish Aggi, Mr. Harish Chander, Mr. Ashok Chaudhary, Mr. Madan Lal, and Mr. Sham Sunder. .

Financial Information

The audited financial results of HCL for fiscal 2012, 2013 and 2014 are set forth below:

(Rs. in lacs, except per share data)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	9,06,51,000.00	8,15,01,000.00	8,15,01,000.00
Reserves and Surplus (excluding revaluation reserves)	(15,28,97,868.00)	(5,73,59,063.00)	6,58,76,093.00
Sales	76,96,87,116.00	1,10,79,52,290.00	1,14,91,27,779.00
Profit/(loss) after tax	(9,55,38,805.00)	(12,32,35,156.00)	(2,09,02,377.00)
Earnings per share (in Rs.)	(1,053.92)	(1,512.07)	(256.47)
Diluted earnings per share (in Rs.)	(1053.92)	(1,512.07)	(256.47)
Price Per Share (in Rs.)	1000	1000	1000
Net asset value per share (in Rs.)	(700.35)	243.01	1784.37

2. Purna Agencies Private Limited (PAPL)

Purna Agencies Private Limited (CIN: U74899DL2001PTC109236) was set up on January 16, 2001 under the Companies Act. The registered office of PAPL is at IX/3480, Raghupura No.2, Gandhi Nagar, Delhi-110031. PAPL is primarily engaged in manufacturing and trading of fabrics.

As of March 31, 2013, our Promoters jointly hold 22.77% of the issued and paid up capital of PAPL.

Shareholding Pattern

The shareholding of PAPL as on August 16, 2014, is as follows:

S.NO.	Name	Amount Per Share	No. of equity shares held	% of equity shares held
1.	Pritha Ghosh	10	5000	0.33
2.	Saptrishi Ghosh	10	5000	0.33
3.	Samir Kumar Ghosh	10	490000	32.34
4.	Harish Chander	10	20000	1.32
5.	Enn Tee Textiles Private Limited	10	200000	13.20
6.	Harshit Vij	10	550000	36.30
7.	Raman	10	125000	8.25
8.	Usha Vij	10	120000	7.92
	Total		1515000	100

Board of Directors

The board of directors of PAPL as of April 16, 2014, is Ms. Mansi Aggi, Mr. Kanwal Kumar, Mr. Samir Kumar Ghosh, and Mr. Harshit Vij.

Financial Information

The audited financial results of PAPL for fiscal 2012, 2013 and 2014 are set forth below:

(Rs. in lacs, except per share data)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	1,51,50,000.00	1,51,50,000.00	50,00,000.00
Reserves and Surplus (excluding revaluation reserves)	(66,65,384.25)	(72,27,245.52)	(67,51,068.83)
Sales	9,21,58,270.00	8,81,24,821.00	36,047.52
Profit/(loss) after tax	5,61,861.27	(4,76,176.69)	(9,09,950.10)
Earnings per share (in Rs.)	0.37	(0.31)	(1.82)
Diluted earnings per share (in Rs.)	0.37	(0.31)	(1.82)
Price Per Share (in Rs.)	10	10	10
Net asset value per share (in Rs.)	5.58	5.23	(3.43)

3. Synergy Textiles Limited (STL)

Synergy Textiles Limited (CIN: U74899DL1999PLC101105) was incorporated in August 11, 1999 under the Companies Act. The registered office of STL is at 308 K C House 5/66 Padam Singh Road, Karol Bagh, Delhi-110005. STL is primarily engaged in trading of yarn& fabric, polyester yarn, polyester cotton blended yarn, viscose blended yarn and acrylic yarn.

As of March 31, 2013, our Promoters jointly hold 21.67% of the issued and paid up capital of STL.

Shareholding Pattern

The shareholding of STL as on August 16, 2014, is as follows:

S.NO.	PARTICULARS	Amount per share	No. of equity shares held	%Equity shares held
1	Harish Chander	10	50000	1.78
2	Bright Polymers Pvt. Ltd	10	60000	2.13
3	Enn Tee Textiles Pvt. Ltd.	10	500000	17.76
4	Saraswati Commercial Ent. Ltd.	10	555200	19.73
5	JVD Leasing & Finance Pvt. Ltd.	10	45000	1.60
6	R.K.G Finvest Ltd.	10	50000	1.78
7	Visage Holding & Finvest Pvt. Ltd.	10	30000	1.07
8	Mr. Jagot Singh	10	100	0.00
9	Mr. Charanjit Singh	10	100	0.00
10	Mrs. Simranpreet Kaur	10	100	0.00
11	Mr. Ashwani Kumar Pahwa	10	100	0.00
12	Mr. Vijay Kumar Malhotra	10	100	0.00
13	Sh. Anil Jain	10	401000	14.25
14	Smt. Abha Jain	10	329000	11.69
15	G.L. Commercial Ltd.	10	115000	4.09
16	Mrs. Rashmi Jain	10	100000	3.55
17	Sh. Sunil Kumar Jain	10	80000	2.84
18	Mr. Saurabh Jain	10	80000	2.84
19	Mr. Sushil Kumar Jain	10	15000	0.53
20	Sushil Kumar Jain (HUF)	10	35000	1.24
21	Sachin Jain	10	50000	1.78
22	Anu Jain	10	279000	9.91
23	Mrs Preeti Jain	10	10000	0.36
24	Mr. Sandeep Jain	10	30000	1.07
	TOTAL		2814700	100.00

Board of Directors

The board of directors of STL as of August 07, 2014, is Mr. Mohit Mago, Mr. Anil Jain and Ms Kanika Aggi.

Financial Information

The audited financial results of STL for fiscal 2012, 2013 and 2014 are set forth below:

(Rs. in lacs, except per share data)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Equity Capital	2,81,47,000	2,81,47,000	2,81,47,000
Reserves and Surplus (excluding revaluation reserves)	87,27,111	82,41,426	75,63,065
Sales	23,97,311	37,67,636	1,57,37,150
Profit/(loss) after tax	4,85,685	6,78,380	4,41,544
Earnings per share (in Rs.)	0.17	0.24	0.16
Diluted earnings per share (in Rs.)	0.17	0.24	0.16
Net asset value per share (in Rs.)	13.10	12.54	12.68

FINANCIAL PERFORMANCE

The brief financials of Enn Tee International Limited for the last five (5) years based on audited financial statements are as under:

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Net worth (A)	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047
Net Profit after Tax (B)	4,011,227	584,572	7,797,828	3,174,373	(575,617)
No. of Shares outstanding at the end					
[F.V Rs.10] (C)	3,697,391	3,697,391	3,497,391	1,697,391	1,697,391
Weighted Average No. of Shares					
[F.V Rs.10] (D)	3,697,391	3,589,446	2,440,014	1,697,391	1,697,391
Earnings per Share (EPS) (B / D)					
(Rs.)	1.08	0.16	3.20	1.87	(0.34)
Return on Net worth (B / A)	0.08	0.01	0.17	0.16	(0.03)
Net Assets Value per Share (A / C)	14.28	13.20	13.21	12.02	10.15

Shareholding Pattern as on 31st March, 2014

As shown in the Table below:

Category of Shareholder	No. of Shareholders	Pre-Issue		Post issue		Shares Pledged or otherwise encumbered	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued	No. of Equity Shares	As a % of Issued
Shareholding of Promoters & Promoter Group							
INDIAN							
Individuals/ HUFs/Directors/Relatives	25	1531891	41.43%	1531891	15.79%		
Central Govt. /State Govts.	---	---	---	---	---	---	---
Bodies Corporate	8	2165500	58.57%	2165500	22.33%	---	---
Financial Institutions/Banks	-	---	---	---	---	---	---
Sub Total A (1)	33	3697391	100%	3697391	38.12%	---	---
FOREIGN							
Bodies Corporate	-	---	---	---	---	---	---
Individual	-	---	---	---	---	---	---
Institutions	-	---	---	---	---	---	---
Any others (specify)	-	---	---	---	---	---	---
Sub Total A (2)	-	---	---	---	---	---	---
Total Shareholding of Promoter group A (1) + A	33	3697391	100%	3697391	38.12%	---	---
PUBLIC SHAREHOLDING							
Institutions							
Central Govt./ State Govts.	-	---	---	[•]	[•]	---	---
Financial Institutions/Banks	-	---	---	[•]	[•]	---	---
Mutual Funds/UTI	-	---	---	[•]	[•]	---	---
Venture Capital Funds	-	---	---	[•]	[•]	---	---

Insurance Companies	-	---	---	[•]	[•]	---	---
Foreign Institutions	-	---	---	[•]	[•]	---	---
Foreign Venture Capital	-	---	---	[•]	[•]	---	---
Any Others (Specify)	-	---	---	[•]	[•]	---	---
Sub Total B (1)	-	---	---	[•]	[•]	---	---
Non Institutions	-	---	---				
Bodies Corporate	-	---	---	[•]	[•]	---	---
Individuals-shareholders holding normal Share capital up to Rs. 1 Lac	-	---	---	[•]	[•]	---	---
Individuals-shareholders holding normal Share capital in excess of Rs.1	-	---	---	[•]	[•]	---	---
Trust	-	---	---	[•]	[•]	---	---
Any Other (i) Clearing Member	-	---	---	[•]	[•]	---	---
Directors/Relatives	-	---	---	[•]	[•]	---	---
Employees	-	---	---	[•]	[•]	---	---
Foreign Nationals	-	---	---	[•]	[•]	---	---
NRIs	-	---	---	[•]	[•]	---	---
OCB'S	-	---	---	[•]	[•]	---	---
Person Acting in Concert	-	---	---	[•]	[•]	---	---
Sub Total B(2)				[•]	[•]	---	---
Total Public Shareholding B(1) + B(2)	-	---	---	5700000	58.78%	---	---
Total A+B	33	3697391	100	9397391	96.91%	---	---
Shares held by Custodians and against which Depository receipts have been issued (C)	-	---	---	---	---	---	---
Shares held by Market Makers (D)	-	---	---	300000	3.09%	---	---
Grand Total A+B+C+D	33	3697391	100	9697391	100		

LITIGATION/ DEFAULTS

For details relating to legal proceedings involving the Promoters and Members of the Promoter Group, see the section titled “Outstanding Litigation and Material Developments” beginning on page no 137 of this Draft Prospectus.

DISASSOCIATION WITH COMPANIES/FIRMS BY THE PROMOTERS OF OUR COMPANY DURING THE PRECEDING THREE (3) YEARS

Our Promoters have not disassociated with any of entity during the preceding three (3) years.

INTEREST OF PROMOTER GROUP COMPANIES

Our Promoter Group companies are interested parties to the extent of their shareholding in the Company, if any dividend and distributions which may be made by the Company in future and to the extent of the related party transactions disclosed in the section titled “Related Party Transactions” beginning on page no 117 of the Draft Prospectus.

RELATED BUSINESS TRANSACTION WITHIN THE GROUP AND SIGNIFICANCE ON FINANCIAL PERFORMANCE

There is no business transaction between our Company and the Promoter Group Companies except as stated on page no 131 under section titled as “Related Party Transactions”.

SALE OR PURCHASE BETWEEN OUR COMPANY AND OUR PROMOTER GROUP COMPANIES

There are no sales or purchases between our Company and any company in the Promoter Group exceeding 10% of the sales or purchases of our Company.

SICK COMPANIES

There are no Companies in our group listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Promoter Group Companies. The Promoter Group Companies do not have negative net worth. Further, no application has been made by any of them to RoC to strike off their names.

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Promoter or Group Companies has a negative net worth as of the date of the respective last audited financial statements.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure 13 of restated financial statement under the section titled “Financial Information” on page no 118 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 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.

There are no dividends declared by our Company since its incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. 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, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

CHAPTER V - FINANCIAL INFORMATION**Auditors' Report**

To,

The Board of Directors,
Enn Tee International Limited
A-64/1, G T Karnal Road,
Industrial Area,
New Delhi-110033

Dear Sirs,

We have examined the Financial Information of ENN TEE INTERNATIONAL LIMITED described below and annexed to this report for the purpose of inclusion in the offer document. The Financial Information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act'), The Securities and Exchange Board of India (SEBI) - Issue of Capital and Disclosure Requirements Regulations, 2009 ('ICDR Regulations') notified on August 26, 2009, the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI) and in terms of the engagement agreed upon by us with the Company.

The Financial Information has been approved by its Board of Directors and Audit Committee of Board of Directors.

Audit for the financial year ended 31st March, 2010 was conducted by Vijay Raj & Co. and financial year ended 31st March 2011, 2012, 2013 and 2014 were conducted by Raj M S Gupta & Co, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them.

The Company has been incorporated on 15th Feb, 1999. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Enn Tee International Limited, We, G C Agarwal & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI).

A. Financial Information as per Audited Financial Statements:

We have examined:

1. the attached Statement of Assets and Liabilities, as Restated as at year ended March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 (Annexure 1);
 2. the attached Statement of Profits and Losses, as Restated for the year ended March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 (Annexure 2);
 3. the attached Statement of Cash Flows, as Restated for the year ended March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 (Annexure 3);
 4. the significant accounting policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure 4);
- (Collectively hereinafter referred as "Restated Financial Statements")

1. The Restated Financial Statements have been extracted from audited Financial Statements of the Company for the

year ended March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 which have been approved by the Board of Directors.

2. Based on our examination and in accordance with the requirements of the Act, ICDR Regulations, we state that:
- Restated Statement of Assets and Liabilities of the Company as at March 31, 2010, 2011, 2012, 2013 and 2014 are as set out in Annexure 1, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure 4;
 - Restated Statement of Profits and Losses of the Company for the year ended March 31, 2010, 2011, 2012, 2013 and 2014 are as set out in Annexure 2, which have been arrived at after making such material adjustments and regroupings to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure 4;
 - Restated Statement of Cash Flows of the Company for the year ended March 31, 2010, 2011, 2012, 2013 and 2014 are as set out in Annexure 3 after making such material adjustments and regroupings;
 - Adjustments for any material amounts in the respective financial years have been made to which they relate; and
 - There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments.
 - Adjustments in Financial Statements has been made in accordance with the correct accounting policies
 - There was no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements".
 - There are no revaluation reserves, which need to be disclosed separately in the "Restated Financial Statements".
 - There are no audit qualifications in the "Restated Financial Statements".

B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document:

- Statement of Details of Reserves & Surplus as at March 31, 2010, 2011, 2012, 2013 and for the year ended 31st March 2014 as set out in **Annexure 5** to this report.
- Statement of Accounting Ratios for the year ended on March 31, 2010, 2011, 2012, 2013, and for the year ended 31st March 2014 as set out in **Annexure 6** to this report.
- Capitalization Statement as at 31st March 2014 as set out in **Annexure 7** to this report.
- Statement of Tax Shelters for the year ended on March 31, 2010, 2011, 2012, 2013, and as of year ended 31st March 2014 as set out in **Annexure 8** to this report.
- Statement of Details of Sundry Debtors as at March 31, 2010, 2011, 2012, 2013 & as of year ended 31st March 2014 as set out in **Annexure 9** to this report.
- Statement of Details of Deposits, Loans and Advances as at March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 as set out in **Annexure 10** to this report.
- Statement of Details of Current Liabilities and Provisions as at March 31, 2010, 2011, 2012, 2013 and as of

year ended 31st March 2014 as set out in **Annexure 11** to this report.

8. Statement of Details of Contingent Liabilities for the year ended March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 as set out in **Annexure 12** to this report.

9. Statement of Details of Related Party Transactions of the Company for the year ended on March 31, 2010, 2011, 2012, 2013 and as of year ended 31st March 2014 as set out in **Annexure 13** to this report.

In our opinion, the "Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 13 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or redating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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

For

G C Agarwal & Associates
Chartered Accountants
Firm Regn. No.: 017851N

Sd/-

CA G C Agarwal
(Proprietor)
Membership No. 083820
Peer reviewer unique code no. 004322

Place: Delhi
Date: 12.08.2014

ANNEXURE-01
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Assets					
Fixed Assets-Gross Block	143,985,474	147,396,919	125,692,356	107,943,912	99,137,342
Less: Depreciation	41,705,099	35,717,089	27,149,037	14,221,690	9,742,167
Net Block	102,280,375	111,679,830	98,543,319	93,722,222	89,395,175
Less: Revaluation Reserve	-	-	-	-	-
Net Block after adjustment for	102,280,375	111,679,830	98,543,319	93,722,222	89,395,175
Revaluation Reserve	-	-	-	-	-
Capital Work in Progress	-	-	15,175,121	1,209,554	2,073,246
Total (A)	102,280,375	111,679,830	113,718,440	94,931,776	91,468,421
Investments					
Investment in Shares	2,820,000	2,820,000	2,820,000	2,820,000	2,820,000
Total Investments (B)	2,820,000	2,820,000	2,820,000	2,820,000	2,820,000
Current Assets, Loans and Advances					
Receivables	71,329,554	67,176,871	34,500,793	26,471,586	9,641,243
Inventories	51,003,182	72,918,593	39,610,630	21,960,066	18,585,393
Cash & Bank Balances	1,364,778	2,037,882	485,027	1,505,578	761,154
Short Term Loans & Advances	6,899,770	5,048,685	1,233,978	6,373,548	937,658
Other Assets	273,370	238,879	-	-	-
Total Current Assets (C)	130,870,654	147,420,910	75,830,428	56,310,778	29,925,448
Long Term Loans & Advances					
Long Term Loans & Advances (D)	9692482	8,329,769	8,121,231	5,373,390	3,976,635
Total Assets (E) = (A) + (B) + © +(D)	245,663,511	270,250,509	200,490,099	159,435,944	128,190,504
Liabilities & Provisions					
Loan Funds :					
Secured Loans	93,204,489	108,010,815	88,304,976	94,014,029	65,456,397
Unsecured Loans	18,000,000	18,500,000	28,500,000	9,930,801	13,430,801
Non Current Security Deposits	12,500,000	12,250,000	-	-	-
Share Application Money	-	50,000	2,050,000	18,000,000	13,000,000
Current Liabilities & Provisions:					
Current Liabilities	63,885,197	78,817,205	30,409,752	13,863,125	16,065,377
Provisions	5,270,778	3,830,669	5,018,123	3,218,569	3,002,882
Total Liabilities & Provisions (F)	192,860,464	221,458,689	154,282,851	139,026,524	110,955,457
Net Worth (E) - (F)	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047
Represented By:					
Share Capital	36,973,910	36,973,910	34,973,910	16,973,910	16,973,910
Reserves & Surplus	15,829,137	11,817,910	11,233,338	3,435,510	261,137
Less: Revaluation Reserve	-	-	-	-	-
Less: Preliminary / Miscellaneous	-	-	-	-	-
Expenses to the extent not written off	-	-	-	-	-
Reserves (Net of Revaluation Reserve)	-	-	-	-	-
Total Net Worth	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047

Notes: The accompanying Significant Accounting Policy and Notes to the Restated Financial Information are an integral part of this Restated Statement of Assets & Liabilities.

ANNEXURE-02
STATEMENT OF PROFIT AND LOSS, AS RESTATED

(In Rupees)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Income					
Income from Operations:					
Sale of goods	487,991,786	671,782,248	364,922,221	263,408,726	58,618,537
Other Income	727,192	1,141,595	1,340,238	3,267,882	433,754
Total	488,718,978	672,923,843	366,262,459	266,676,608	59,052,291
Expenditure					
Cost of goods purchased	369,804,244	592,115,383	282,966,292	212,797,620	58,639,811
Changes in inventory	17,918,530	(31,501,662)	(5,159,387)	3,707,619	(11,654,567)
Employees Costs	14,803,384	18,051,217	7,573,529	642,652	1,652,988
Other Operative Expenses	54,000,890	65,634,197	46,315,494	32,347,956	7,990,174
Total	456,527,048	644,299,135	331,695,928	249,495,847	56,628,406
Profit before Depreciation, Interest and Tax	32,191,930	28,624,708	34,566,531	17,180,761	2,423,885
Depreciation	6,590,521	8,568,052	12,927,347	4,556,968	2,059,633
Profit before Interest & Tax	25,601,409	20,056,656	21,639,184	12,623,793	364,252
Interest & Finance Charges	20,517,108	18,435,544	13,577,883	9,699,004	1,619,766
Net Profit before Tax	5,084,301	1,621,112	8,061,301	2,924,789	(1,255,514)
Less: Provision for Taxes:					
Current Tax	292,876	251,092	-	-	-
Deferred Tax	780,198	785,448	263,473	(249,584)	2,681,417
Net Profit After Tax & Before Extraordinary Items	4,011,227	584,572	7,797,828	3,174,373	(3,936,931)
Extra Ordinary Items (Net of Tax)					
Net Profit	4,011,227	584,572	7,797,828	3,174,373	(3,936,931)

ANNEXURE-03

STATEMENT OF CASH FLOW AS RESTATED

(In Rupees)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before tax	5,084,301	1,621,112	8,061,301	2,924,789	(1,255,514)
Adjustment for:					
Add: Depreciation	6,590,521	8,568,052	12,927,347	4,556,968	2,059,633
Add: Preliminary Expenses					
Add: Interest expenses	20,517,108	18,435,544	13,577,883	9,699,004	1,619,766
Add: (Profit) / Loss on Sale of Fixed Assets	(45,171)	-	-	1,050,195	584,222
Less: Interest Income					
Operating Profit before Working capital changes	32,146,759	28,624,708	34,566,531	18,230,956	3,008,107
Adjustments for:					
Decrease (Increase) in Trade & Other Receivables	(4,152,683)	(32,676,078)	(8,029,207)	(16,830,343)	(6,620,691)
Decrease (Increase) in Inventory	21,915,411	(33,307,963)	(17,650,564)	(3,374,673)	(18,569,799)
Decrease (Increase) in Short Term Loans & Advances	(1,851,085)	(3,814,707)	5,139,570	(5,435,890)	3,361,333
Decrease (Increase) in Long Term Loans & Advances	(1,362,713)	(208,538)	(2,747,841)	(1,396,755)	(3,976,635)
Decrease (Increase) in Other Assets	(34,491)	(238,879)			
Increase (Decrease) in Current Liabilities	(14,932,008)	48,407,453	16,546,627	(2,202,252)	9,634,257
Net Changes in Working Capital	(417,569)	(21,838,712)	(6,741,415)	(29,239,913)	(16,171,535)
Cash Generated from Operations	31,729,190	6,785,996	27,825,116	(11,008,957)	(13,163,428)
Taxes (paid) / refund	340,726	2,432,532	-	-	-
Adj for MAT	707,761	208,538	1,536,081	465,271	240,000
Net Cash Flow from Operating Activities (A)	32,096,225	4,562,002	29,361,197	(10,543,686)	(12,923,428)
CASH FLOW FROM INVESTING ACTIVITIES					
Sale /(Purchase) of Fixed Assets	2,854,105	(6,529,442)	(31,714,011)	(9,070,518)	(64,845,160)
Sale /(Purchase) of Shares	-	-	-	-	-
Net Cash Flow from Investing Activities (B)	2,854,105	(6,529,442)	(31,714,011)	(9,070,518)	(64,845,160)
CASH FLOW FROM FINANCING ACTIVITIES					
Issue of share capital and Proceeds / (Refund) from Share Application Money	(50,000)	-	2,050,000	5,000,000	8,950,000
Interest paid	(20,517,108)	(18,435,544)	(13,577,883)	(9,699,004)	(1,619,766)
Interest Received					
Increase / (Repayment) of Secured/unsecured loans	(15,306,326)	9,705,839	12,860,146	25,057,632	70,707,198
Increase Decrease in Secuirty Deposit	250,000	12,250,000			
Net Cash Flow from Financing Activities ©	(35,623,434)	3,520,295	1,332,263	20,358,628	78,037,432
Net Increase / (Decrease) in Cash & Cash Equivalents	(673,104)	1,552,855	(1,020,551)	744,424	268,843
Cash and cash equivalents at the beginning of the year / Period	2037882	485027	1505578	761154	492,311
Cash and cash equivalents at the end of the year/ Period	1364778	2037882	485027	1505578	761,154

Annexure-04**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT****A. SIGNIFICANT ACCOUNTING POLICIES:****1. SIGNIFICANT ACCOUNTING POLICIES****Basis of preparation**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Fixed Assets

Fixed assets are stated at cost of acquisition or construction including taxes, duties and other direct expenses. They are stated at historical cost less accumulated depreciation.

Expenditure incurred for fixed assets, the construction /installation/acquisition of which is not completed upto the year end is included under the Capital work in progress and on completion the same is related/ classified to the respective fixed assets.

Depreciation

Depreciation on fixed assets is provided for in accordance with Schedule XIV to companies Act, 1956 on SLM method.

Sales

Sales are recognized net of returns on dispatch of goods to customers and are reflected in the accounts at gross realizable value.

Inventories

Inventories of raw material, stores & spares and consumables are valued at cost. Finished products and stock in process are valued at lower of cost or market/net realizable value and waste is valued at realizable value.

Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes

reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS/PERIODS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies during the reporting year except, Depreciation method given below, 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.

Depreciation on fixed assets was hitherto provided on Written Down Value Method. The Company in order to reflect a more appropriate preparation/presentation of financial statements, has changed the method of depreciation on fixed assets w.e.f. 1st April, 2009 from WDV to SLM. Had there been no such change, profit before tax for the year and net block of fixed assets would have been lower by Rs. 56,93,298/-

Profit & Loss Account for the year ended on March 31st 2011: In the previous year figures for the financial year 2009-10 Rental income of Rs. 4,20,000/- has been reported twice. Once it is shown separately as Rent and again it has been included into other income. However there is no financial impact of the same on Profit for the year, as this amount has been reported for the previous year figures only and not taken for calculations of profit for the year.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

I. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

A. The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

PARTICULARS	2013-14	2012-13	2011-12	2010-11	2009-10
Profit after tax before appropriation (as per Audited accounts)	40,11,227	584,572	7,797,828	3,174,373	(575,617)
Adjustments	0.00	0.00	0.00	0.00	33,61,314
Profit after Tax as per Restated Profit & Loss Account	40,11,227	584,572	7,797,828	3,174,373	(39,36,931)

2. OTHER NOTES

General

The Company was incorporated during the year 1999 and a restated financial statement has been prepared for the fiscal year ended March 31, 2010, 2011, 2012, and 2013 and 2014.

Segment Reporting

Company has only one segment, hence details are not applicable.

3. EARNINGS PER SHARE

The details of Earnings per Share as per AS-20 are provided in Annexure 6.

4. RELATED PARTY TRANSACTIONS:

The details of Related Party Transactions as per Accounting Standard -18 are provided in Annexure 14.

5. The company has provided guarantee for a sum of Rs.4771.45 Lacs to State Bank Of Patiala, Main Branch, Miller Ganj, Ludhiana and for a sum Rs 1729 lacs to State Bank of Bikaner & Jaipur, SME Branch, Ludhiana in respect of credit facilities availed by M/S Him Chem Ltd. from the said bank.

6. Balances of Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation.

Annexure- 05

STATEMENT OF RESERVES & SURPLUS, AS RESTATED

(In Rupees)

Particulars	31.03.2014	31.03.13	31.03.12	31.03.11	31.03.10
Profit / (Loss) Brought Forward	11,817,910	11,233,338	3,435,510	261,137	4,198,068
Add: Profit / (Loss) for the Year	4,011,227	584,572	7,797,828	3,174,373	(3,936,931)
Profit / (Loss) Carried Forward	15,829,137	11,817,910	11,233,338	3,435,510	261,137
Add : Share Premium	-	-	-	-	-
Add : Capital Reserve	-	-	-	-	-
Reserves & Surplus	15,829,137	11,817,910	11,233,338	3,435,510	261,137

Annexure-06

STATEMENT OF ACCOUNTING RATIOS

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Net worth (A)	52,803,047	48,791,820	46,207,248	20,409,420	17,235,047
Net Profit after Tax (B)	4,011,227	584,572	7,797,828	3,174,373	(575,617)
No. of Shares outstanding at the end					
[F.V Rs.10] (C)	3,697,391	3,697,391	3,497,391	1,697,391	1,697,391
Weighted Average No. of Shares					
[F.V Rs.10] (D)	3,697,391	3,589,446	2,440,014	1,697,391	1,697,391
Earnings per Share (EPS) (B / D)					
(Rs.)	1.08	0.16	3.20	1.87	(0.34)
Return on Net worth (B / A)	0.08	0.01	0.17	0.16	(0.03)
Net Assets Value per Share (A / C)	14.28	13.20	13.21	12.02	10.15

Definitions of key ratios:

- I. Earnings per share (Rs.): Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue after the Balance Sheet date but before the date on which the Financial Statements are approved by the Board of Directors', the per share calculations for those Financial statements and any prior period Financial Statements presented are based on the new no. of shares. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.
- II. Return on Net Worth (%): Net Profit after tax / Net worth as at the end of the year / period.

III. Net Asset Value (Rs.): Net Worth at the end of the year / Number of equity shares outstanding at the end of the year / period.

IV. Net Profit, as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

Annexure- 07
CAPITALIZATION STATEMENT

Particulars	Pre Issue as at 31.03.2014	Post Issue*
Borrowing		
Short - Term Debt (Including unsecured Loans)	6,82,54,049	
Long - Term Debt	4,29,50,440	
Total Debt	11,12,04,489	
Shareholders' Funds		
Share Capital		
- Equity	3,69,73,910	
Less: Calls - in – arrears	0	
- Preference	0	
Reserves & Surplus	1,58,29,137	
Less: Miscellaneous Expenditure not written off	0.00	
Total Shareholders' Funds	5,28,03,047	
Long - Term Debt / Shareholders Fund	0.81	
Short - Term Debt / Shareholders Fund	1.29	
* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.		
* Short terms Borrowings from different parties in F.Y.2013-14		

Annexure- 08
STATEMENT OF TAX SHELTERS

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Profit before tax as per Restated P/L	5,084,301	1,621,112	8,061,301	2,924,789	2,105,800
Applicable Corporate Tax Rate	30.90	30.90	30.90	30.90	30.90
Tax at Notional Rate (A)	1,571,049	500,924	2,490,942	903,760	650,692
Adjustments					
Exempt Incomes					
Difference been depreciation as per Companies Act and Income Tax Act	(4,172,113)	(4,245,666)	2,874,029	(5,003,049)	(11,774,265)
Other Adjustments	(136,071)	(43,212)	(10,935,330)	229,845	584,222
Net Adjustments	(4,308,184)	(4,288,878)	(8,061,301)	(4,773,204)	(11,190,043)
Tax Expenses / (Savings) thereon (B)	(1,331,229)	(1,325,263)	(2,490,942)	(1,474,920)	(3,457,723)
Total Tax Payable (C=A+B)	239,820	(824,340)	-	(571,160)	(2,807,031)
Tax Payable as per Minimum Alternate Tax u/s 115 JB of Income Tax Act, 1961 (D)	968,814	308,903	1,456,955	465,274	261,190
Net Tax (Higher of C & D)	968,814	308,903	1,456,955	465,274	261,190

Annexure-09
STATEMENT OF SUNDRY DEBTORS

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
(A) Unsecured, Considered good outstanding for a period less than six months					
Amount due from Promoter/Group Companies and Directors	6,745,051	-	-	156,092	-
Others	49,531,803	59,792,139	31,327,876	23,881,089	7,206,839
(B) Unsecured, Considered good outstanding for a period more than six months					
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-
Others	15,052,700	7,384,732	3,172,917	2,434,405	2,434,404
Total	71,329,554	67,176,871	34,500,793	26,471,586	9,641,243

Annexure-10
STATEMENT OF DEPOSITS, LOANS & ADVANCES

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Advances recoverable in cash or kind					
Due from Promoter / Group Companies / Director	-	-	-	3,300,000	-
Others	16,592,252	13,378,454	9,355,209	8,446,938	4,914,293
Tax deducted at Source (U/S 194A)	-	-	-	-	-
Deposits					
Due from Promoter / Group Companies / Director	-	-	-	-	-
Others	-	-	-	-	-
Total (excluding Tax deducted at Source)	16,592,252	13,378,454	9,355,209	11,746,938	4,914,293

Annexure-11
STATEMENT OF CURRENT LIABILITIES & PROVISIONS

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
<u>Current Liabilities</u>					
<u>Sundry Creditors</u>					
Amount due to Promoter /Group Company / Directors	394,488	2,927,933	200,000	713,479	6,916,227
Others	43,092,103	54,402,485	14,861,493	10,259,552	6,575,793
<u>Other Outstanding liabilities:</u>					
Amount due to Promoter /Group Company / Directors	-	-	-	-	-
Others	20,398,606	21,486,787	15,348,259	2,890,094	2,573,357
Sub Total (A)	63,885,197	78,817,205	30,409,752	13,863,125	16,065,377
<u>Provisions</u>					
Income Tax	968,814	308,903	2281805	745724	280453
FBT					
Deferred Tax	4,301,964	3521766	2736318	2472845	2722429
Other Provision					
Sub Total (B)	5,270,778	3,830,669	5,018,123	3,218,569	3,002,882
Total (A+B)	69,155,975	82,647,874	35,427,875	17,081,694	19,068,259

Annexure-12
STATEMENT OF DETAILS OF CONTINGENT LIABILITIES

(In Rupees)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
<u>Contingent Liabilities</u>	6,500	5,570	4,570	4,280	4,280
Total	6,500	5,570	4,570	4,280	4,280

Annexure-13
STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(In Rupees)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Rent Paid					
Group Companies	24,000	24,000	24,000	24,000	24,000
Promoter & Directors	-	-	-	-	-
Total	24,000	24,000	24,000	24,000	24,000
Rent Received					
Group Companies	240,000	170,000	-	-	-
Promoter & Directors	-	-	-	-	-
Total	240,000	170,000	-	-	-
Share Application Money Received					
Group Companies	-	-	-	-	8,350,000
Promoter & Directors	-	-	-	-	-
Total	-	-	-	-	8,350,000
Share Application Money Repaid					
Group Companies	-	-	8,350,000	-	-
Promoter & Directors	-	-	-	-	-
Total	-	-	8,350,000	-	-
Purchases					
Group Companies	8,446,024	129,384,542	-	3,427,798	8,237,445
Promoter & Directors	-	-	-	-	-
Total	8,446,024	129,384,542	-	3,427,798	8,237,445
Sale					
Group Companies	8,828,815	59,352,731	-	361,944	1,550,270
Promoter & Directors	-	-	-	-	-
Total	8,828,815	59,352,731	-	361,944	1,550,270
Advance Paid					
Group Companies	1,825,000	15,000	7,362,000	4,500,000	-
Advance Received					
Group Companies	-	-	10,662,000	1,200,000	-
Security Deposits Received					
Group Companies	-	8,500,000	-	-	-
Loan Repaid to Related Parties:					
Promoter & Directors	500,000	-	380,000	-	-

MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of our financial condition and results of operations together with our audited restated financial statements prepared in accordance with paragraph B of Part II of Schedule II to the Companies Act and SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon of each of the financial years ended March 31, 2010, 2011, 2012, 2013, 2014 in the chapter titled "Financial Information" on page no 118 of the Draft Prospectus. The following discussion relates to our Company and, unless otherwise stated, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards and other applicable provisions of the Companies Act and the SEBI (ICDR) Regulations. Our fiscal year ends on March 31 of each year so accordingly all references to a particular financial year are to the twelve months ended March 31 of that year.

OVERVIEW OF THE BUSINESS

THE INDUSTRY OVERVIEW

A textile is the largest single industry in India (and amongst the biggest in the world), accounting for about 20% of the total industrial production. It provides direct employment to around 30 million people. Textile and clothing exports account for one-third of the total value of exports from the country. There are 1,227 textile mills with a spinning capacity of about 29 million spindles. While yarn is mostly produced in the mills, fabrics are produced in the power loom and handloom sectors as well. The Indian textile industry continues to be predominantly based on cotton, with about 65% of raw materials consumed being cotton. The yearly output of cotton cloth was about 12.8 billion m (about 42 billion ft). The manufacture of jute products (1.1 million metric tons) ranks next in importance to cotton weaving. Textile is one of India's oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. They include cotton and jute growers, artisans and weavers who are engaged in the organized as well as decentralized and household sectors spread across the entire country.

BUSINESS OVERVIEW

Our Company was originally incorporated in Delhi as "Enn Tee International Private Limited" on 15th February, 1999 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. On June 11, 2014 it was converted to a Public Limited Company under the name of Enn Tee International Limited and fresh Certificate of Incorporation consequent upon change of name was issued by ROC, Delhi & Haryana. For further details in relation to change in management and change in name, please refer to section titled "Our History & Corporate Structure" on Page no. 87 of this Draft Prospectus.

We are engaged in the business of manufacturing of Polypropylene Multifilament Yarn under the brand name of "MINKLENE".

Also, we are a man made synthetic yarn manufacturing company in polypropylene varieties of polymers like polypropylene in all colors and denier range with qualities like crimp yarn, textured yarn, crimp twisted yarn, POY, FDY, HE HOY, FDY TW, POY TW, HE TW, HOY TW. Twisted for various textile applications such as socks, undergarments, Tapes, Belt, Dorries, Chord, Crochets, Laces, Stitching, Bag closing, Fishing Nets, Ropes and Twines, /embroidery Threads, Carpets, Upholstery, Zipper, Malai dori and many more etc.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS

Our results of operations could potentially be affected by the following factors amongst others:

- Changes in government policies
- Material changes in the duty or tax structure
- Competition from existing and new entrants
- Efficient Logistics and Supply chain management

DISCUSSION ON THE RESULTS OF OPERATIONS

The following discussion on the financial operations and performance is based on our restated financial statements for the FY 2009-2010, 2010-2011, 2011-12, 2012-2013, 2013-2014. The same should be read in conjunction with the restated audited financial results of our Company for the years ended March 31 2010, 2011, 2012, 2013, 2014.

Our Results of Operations for the year ended March 31, 2014:-

PARTICULARS	AMOUNT (IN RUPEES)	% OF TOTAL INCOME
Total Income	488,718,978	100
Expenditure (including Depreciation, Interest & Tax)	483,634,677	98.95
Depreciation	65,90,521	1.34
Interest	2,05,17,108	4.19
Net profit before Tax	5,084,301	1.04
Taxes	2,92,876	0.05
Net profits after Taxes	4,011,227	0.82

Our Results of operations for the last three financial years:-

ANALYSIS ON RESULTS OF OPERATION

Considering the various Key factors affecting our income and expenditure, our results of operations may vary from period to period. The following table sets forth certain information with respect to our results of operations for the periods indicated read together with notes to accounts, accounting policies and auditor's report as appearing in this Draft Prospectus.

Particulars	31.03.2014	31.03.2013	31.03.2012	31.03.2011	30.03.2010
Sale of goods	487,991,786	671,782,248	364,922,221	263,408,726	58,618,537
Increase/ (Decrease) (%)	(27.35%)	84.08%	38.53%	3.49%	-
Other Income	727,192	1,141,595	1,340,238	3,267,882	4,33,754
Increase/ (Decrease) (%)	(36.30%)	(14.82%)	(58.98%)	13.89%	-
TOTAL	488,718,978	672,923,843	366,262,459	266,676,608	5,90,52,291
Particulars	31.03.2014	31.03.2013	31.03.2012	31.03.2011	30.03.2010
Expenditure:					
Cost of goods purchased	36,98,04,244	59,21,15,383	28,29,66,292	21,27,97,620	5,86,39,811
Increase/ (Decrease) (%)	(37.54%)	109.25%	32.97%	262.88%	-
Change in Inventory	17,918,530	(31,501,662)	(5,159,387)	3,707,619	(11,654,567)

)
Increase/ (Decrease) (%)	(156.88%)	(510.56%)	(39.15%)	131.81%	-
Employee Cost	1,48,03,384	1,80,51,217	75,73,529	6,42,652	16,52,988
Increase/ (Decrease) (%)	(17.99%)	138.34%	1078.48%	(61.12%)	-
Other Operative Expenses	5,40,00,890	6,56,34,197	4,63,15,494	3,23,47,956	79,90,174
Increase/ (Decrease) (%)	(17.72%)	41.71%	43.17%	304.84%	-
TOTAL	456,527,048	644,299,135	331,695,928	249,495,847	56,628,406
Profit before Depreciation, Interest and Tax	32,191,930	28,624,708	34,566,531	17,180,761	5,785,199
Increase/ (Decrease) (%)	12.46%	(17.18%)	101.19%	196.97%	-
Depreciation	6,590,521	8,568,052	12,927,347	4,556,968	2,059,633
Increase/ (Decrease) (%)	(23.08%)	(56.24)%	183.68	121.25%	-
Profit before Interest and Tax	25,601,409	20,056,656	21,639,184	12,623,793	3,64,252
Increase/ (Decrease) (%)	27.64%	(7.31%)	71.41%	238.84%	-
Interest & Finance charges	20,517,108	18,435,544	13,577,883	9,699,004	1,619,766
Increase/ (Decrease) (%)					-
Net Profit before Tax	5,084,301	1,621,112	8,061,301	2,924,789	(12,55,514)
Increase/ (Decrease) (%)	213.63%	(79.89%)	175.61%	38.89%	-
Less: Provision for Tax					
Current Tax	292,876	251,092	-	-	-
Deferred Tax	780,198	785,448	263,473	(249,584)	2,681,417
Net Profit after Tax & before Extraordinary Items	4,011,227	584,572	7,797,828	3,174,373	(39,36,931)
Increase/ (Decrease) (%)	586.18%	(92.50%)	145.64%	(6.51%)	-
	4,011,227	584,572	7,797,828	3,174,373	(39,36,931)

COMPARISON OF FINANCIAL YEAR ENDED 31st MARCH, 2014 WITH FINANCIAL YEAR ENDED 31st MARCH, 2013

Income: Our turnover for the financial year ended 31st March, 2014 was at Rs. 48,87,18,978 as against the total of Rs 67,29,23,843 for the fiscal 2013 with an overall decrease of 27.37%. The turnover includes proceeds from yarn trading to the tune of Rs. 25.91 crores and Rs. 3.93 crores in fiscal 2013 and 2014 respectively. Manufacturing turnover was Rs. 44.87 crores in 2014 against Rs. 41.27 crores in 2013 fiscal, with an increase of 8.02%.

Cost of Materials Purchased: Our purchases for the fiscals 2014 and 2013 were Rs.36.98 crores and Rs. 59.21 crores respectively, which include goods purchased for the trading activities to the tune of Rs. 2.33 crores and Rs. 25.52 crores respectively. Cost of material consumed for manufacturing activities were Rs. 34.65 crores and Rs 33.69 crores in 2014 and 2013 respectively with a marginal increase of 2.77% only which can be attributed to marginal increase in the cost of raw material.

Expenditure: The employees' expenses have registered a decrease of (17.99%) at Rs. 1,48,03,384 in fiscal 2014 as compared to Rs. 1,80,51,217 for the fiscal 2013; Other Operative Expenses have registered a decrease of 12.44% at Rs 8,11,08,519 in fiscal 2014 as compared to Rs. 9,26,37,793 in fiscal 2013. It indicates that the company was able to optimize the efficiency of its manpower. It has also effectively controlled the operative expenses.

Depreciation: Depreciation has accounted for Rs. 65,90,521 with a decrease of 23.08% in fiscal 2014 as compared to Rs 85,68,052 in the fiscal 2013.

Profits after Taxes (PAT): PAT of Company has recorded a growth of 85.42 % at Rs. 40,11,227 for fiscal 2014 as against Rs. 5,84,572 for fiscal 2013 due to higher revenue and effective cost control.

COMPARISON OF FINANCIAL YEAR ENDED 31st MARCH, 2013 WITH FINANCIAL YEAR ENDED 31st MARCH, 2012

Income: Our turnover for the financial year ended 31st March, 2013 was at Rs. 67,29,23,843 as against the total of Rs. 36,62,62,459 for the fiscal 2012 with an overall increase of 45.57% and such increase was due to increase in sale of goods in fiscal 2013. It is inclusive of trading turnover of Rs. 25.92 crores in the fiscal 2013. Turnover from manufacturing activities was Rs. 41.08 crores in 2013 with an overall increase of 12.72% over Rs. 36.62 crores in 2012.

Cost of Materials Purchased: Our purchases for the fiscals 2013 and 2012 were Rs.59.21 crores and Rs. 28.29 crores respectively, which include goods purchased for the trading activities to the tune of Rs. 25.52 crores in 2013. Cost of material consumed for manufacturing activities were Rs. 33.69 crores in 2013 and Rs. 28.29 crores in 2012 respectively with an increase of 19.08% which is in line with the increase in turnover.

Expenditure: The employees' expenses have registered a increase of 58.04% at Rs. 1,80,51,217 in fiscal 2013 as compared to Rs. 75,73,529 for the fiscal 2012; other Operative Expenses have registered increase of 29.43% at Rs.6,56,34,197 in fiscal 2013 as compared to Rs. 4,63,15,494 in fiscal 2012.

Depreciation: Depreciation has accounted for Rs.85,68,052 with a decrease of 50.87% in fiscal 2013 as compared to Rs. 1,29,27,347 in the fiscal 2012.

Profits after Taxes (PAT): PAT of Company has recorded a decrease of 1233.93 % at Rs. 5,84,572 for fiscal 2013 as against Rs 77,97,828 for fiscal 2012 due to increase in manpower cost and job work expenses, which was attributed to expansion and increase in capacities.

Other Information required as per SEBI Regulations:

- Unusual or infrequent events or transactions
There are no unusual or infrequent events or transactions that have significantly affected operations of the Company.
- Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

- 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 disclosed under the section titled "Risk Factors" no known trends or uncertainties are envisaged or are expected to have a material adverse impact on sales, revenue or income from continuing operations to Company's knowledge.

- Future Relationship between Cost and Income.

Except as described in the sections titled "Risk Factor," "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," on page no 75, 132 of the Draft Prospectus, respectively, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances

- Status of any publicly announced New Products or Business Segment

The Company has not announced any new products or business segment.

- Any significant dependence on a single or few suppliers or customers

We are not under threat of dependence from any single supplier or customer.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Promoter Group and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences (including past cases where penalties may or may not have been awarded) and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Promoter Group Companies.

I. CASES FILED BY OUR COMPANY

Civil Cases

There are no civil proceedings filed by our Company.

Criminal Cases

There are no criminal proceedings filed by our Company.

II. CASES FILED AGAINST OUR COMPANY

Civil proceedings

There are no civil proceedings filed against our Company.

Criminal Proceedings

There are no criminal proceedings filed against our Company.

III. INDIRECT TAX PROCEEDINGS INVOLVING OUR COMPANY NIL

IV. LITIGATIONS INVOLVING OUR PROMOTER

i. Proceedings of Civil nature

a) By the promoters

NIL

b) Against the promoters

NIL

ii. Proceedings of a Criminal nature

a) By the promoters

NIL

b) Against the promoters

NIL

V. LITIGATIONS INVOLVING DIRECTORS OF OUR COMPANY

i. Proceedings of Civil nature

a) By the Directors of our Company

NIL

b) Against the Directors of our Company

NIL

ii. Proceedings of a Criminal nature

a) By the Directors of our Company

NIL

b) Against the Directors of our Company

NIL

MATERIAL DEVELOPMENTS

In the opinion of the Board of Directors of our company, since the date of the last audited financial statements disclosed in this Draft prospectus, there have not arisen any circumstances that materially or adversely affect or are likely to affect our profitability or value of assets or our ability to pay material liabilities within next twelve (12) months.

GOVERNMENT & OTHER APPROVALS

We have received all the necessary consents, licenses, permissions and approvals from the government and various government agencies/ private certification bodies for our present businesses and no further approvals are required for carrying on the present businesses except as stated in this Draft Prospectus.

APPROVALS FOR THE ISSUE

1. The Board of Directors has, pursuant to resolution passed at its meeting held on September 01, 2014, authorized the Issue.
2. The shareholders of our Company have, pursuant to a resolution EGM held on September 23, 2014, authorized the Issue.

APPROVALS FROM LENDERS

State Bank of Bikaner and Jaipur

The Company has obtained NOC for the proposed IPO on 8th September, 2014 from State Bank of Bikaner and Jaipur, Kankhai Road, Arya Nagar, Jwalapur, Haridwar.

INCORPORATION DETAILS

1. Certificate of Incorporation issued by Registrar of Companies, National Capital Territory of Delhi & Haryana, in the name of Enn Tee International Limited.
2. The Company Identification Number (CIN) is U18101DL1999PLC098394.

CORPORATE APPROVALS OF OUR COMPANY

1. Permanent Account Number AAACE6171D under the Income Tax Act, 1961.
2. Tax Deduction Account Number DELE02947A under the Income Tax Act, 1961. Application for name change has been sent on 17.07.2014 to the concerned deptt.
3. Certificate of registration for VAT & CST was allotted with effect from 2nd January, 2007 with registration no. 05007029809.
4. Service Tax Code Registration No. AAACE6171DST002.
5. Central Excise Registration No. AAACE6171DXM001.
6. Registration and License of our factory in Haridwar; License No.: H.W.R-791
7. ISIN Number is INE170R01017.

APPROVALS TO BE OBTAINED FOR THE OBJECTS OF THE ISSUE –

Sr. No.	Licenses & Approvals
	None

We are yet to obtain following:

- We are registered under the provisions of EPF Act 1952 with Provident Fund Regional Office, Dehradun. We have not been granted sub-code of registration from the Provident fund authorities (Delhi) for our Corporate Office situated at Delhi.
- Consolidated Consent to Operate and Authorisation (CCA) was granted by Uttarakhand Environment Protection and Pollution Control Board till 31.03.2014. Process of renewal has been initiated.
- Application for Renewal of License of our factory in Haridwar was sent to Asst Director of Factories as on 17.10.2013. Acknowledgement of renewal is yet to be received.
- Following is the list of departments to whom application have been sent to effect the name change:
 - a. The Branch Manager, State Bank of Bikaner & Jaipur, Arya Nagar Chowk, Haridwar.
 - b. Deputy Commissioner, Central Excise Division, E-Block, Nehru Colony, Dehradun.
 - c. The Superintendent, Customs & Central Excise, Range Haridwar.
 - d. The Member Secretary, Uttarakhand Environment & Pollution Control Board, E-115, Nehru Colony, Dehradun.
 - e. The Regional Provident Fund Commissioner, Bhavishya Nidhi Bhawan, Vyom Prasth GMS Road, Dehradun.
 - f. The Regional Director, Employees State Insurance Corporation, Panchdeep Bhawan, Wing No. 4, Shiv Puri, Prem Nagar, Dehradun.
 - g. The Managing Director, Uttarakhand Power Corporation Ltd, Victoria Cross Vijeta Cabar Singh Bhawan, Dehradun.
 - h. The Chief Engineer (Commercial), Uttarakhand Power Corporation Ltd. Urja Bhawan Kanwli Road, Dehradun.
 - i. The Managing Director, State Infrastructure & Industrial Development Corporation of Uttarakhand Ltd, I.T Park, Sahastradhara Road, Dehradun.
 - j. The Regional Manager, State Infrastructure & Industrial Development Corporation of Uttarakhand Ltd, 5th Floor, Pentagon Mall, SIDCUL, Haridwar.
 - k. The General Manager, District Industries Centre, Roorkee, Haridwar.
 - l. The Asst Director of Factories/ Boiler (Uttarakhand) Himgiri Vihar, Azabpur Khurd, Dehradun Region, Dehradun.
 - m. The Deputy Commissioner, Sector-2, Sales Tax Deptt, Roshnabad, Haridwar.
 - n. The Asstt Labour Commissioner, Labour Office, Roshnabad, Haridwar.
 - o. The Regional Office, Uttarakhand Environment Protection and Pollution Control Board, Premises of Irrigation Design Building, Roorkee, Haridwar.
 - p. The Chief Fire Officer, Fire Office, Mayapur, Haridwar.
 - q. The Deputy Director, N.S.S.O, (FOD) Government of India, C-15, Sector- 1, Defence Colony, Dehradun.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The shareholders of Enn Tee International Limited had approved the present Issue by a special resolution in accordance with Section 62 (1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on. September 23, 2014.

Our Board has approved this Draft Prospectus at its meeting held on September 25, 2014

We have received approval from NSE vide letter dated [●] to use the name of NSE in this offer document for listing of our Equity Shares on NSE Emerge. NSE is the Designated Stock Exchange.

PROHIBITION BY SEBI

The Company, its Promoters, its Directors or any of the Company's Associates or Group Companies and companies with which the Directors of the Company are associated as Directors or Promoters, or Directors or Promoters in control of, of the promoting Company, are currently not prohibited from accessing or operating in the capital market under any order or direction passed by SEBI.

PROHIBITION BY RBI

Our Company, our Promoters, Promoting Companies, their relatives, and Associate Companies have not been detained as willful defaulters by the RBI or any other government authorities.

ELIGIBILITY FOR THE ISSUE

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

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital exceeds ten crores rupees but does not exceeds twenty five crore rupees, shall issue its specified securities in accordance with provisions of chapter XB Issue of specified securities by small and medium enterprises of ICDR regulations.

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 more than 15% of the Total Issue Size .For further details pertaining to said underwriting please refer to "General Information–Underwriting "on page no 32of this 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 forth with .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 prescribed under Section 40 of the Companies Act, 2013.
- 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 "General Information – Details of the Market Making Arrangements for this Issue" on page no. 32 of this 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.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, MEFCOM CAPITAL MARKETS LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, MEFCOM CAPITAL MARKETS LIMITED HAS FURNISHED, A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS 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 PROSPECTUS PERTAINING TO THE SAID ISSUE;

2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:

(A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

- (C)THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED) THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THE IRSPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK- IN PERIOD AS STATED IN THE PROSPECTUS.
- 6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
- 7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.- NOT APPLICABLE
- 8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- 9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE

COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.

- 10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE AS THE OFFER SIZE IS MORE THAN 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956 AND UNDER SECTION 23 OF THE COMPANIES ACT 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.
- 11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- 12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- 14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- 16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR.- NOT APPLICABLE AS THIS BEING THE FIRST ISSUE OF MERCHANT BANKER
- 17) THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT

1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWS PAPERS 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.- NOTED**
- (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 SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, 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.**
- (7) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES.- NOT APPLICABLE.**

The filing of the Prospectus does not, however, absolve our Company from any liabilities under section 34 or section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up, at any point of time with the Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the issue have been complied with at the time of filing of the Prospectus with the Registrar of Companies, in terms of Section 56, and Section 60 of the Companies Act.

THE PROMOTER(S) /DIRECTOR(S) OF ENN TEE INTERNATIONAL LIMITED , MR. HARISH CHANDER, MRS. RAMAN, M/s HARISH TRADING CO. (HUF), M/S EURO SPIN FAB PVT LTD, M/S ENN TEE TEXTILE PVT LTD AND M/S BRIGHT POLYMERS PVT LTD, CONFIRM THAT NO INFORMATION/MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS IN RESPECT OF THE SHARES OFFERED IN TERMS OF THIS OFFER DOCUMENT HAS BEEN SUPPRESSED WITHHELD AND / OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT/ MISREPRESENTATION AND IN THE EVENT OF ITS TRANSPIRING AT ANY POINT IN TIME TILL ALLOTMENT/ REFUND, AS THE CASE MAY BE, THAT ANY INFORMATION/MATERIAL HAS BEEN SUPPRESSED/WITHHELD AND/ OR AMOUNTS TO A MISSTATEMENT/ MISREPRESENTATION, THE PROMOTERS/DIRECTORS UNDERTAKE TO REFUND THE ENTIRE APPLICATION MONIES TO ALL SUBSCRIBERS WITHIN 7 DAYS THEREAFTER WITHOUT PREJUDICE TO THE PROVISIONS OF SECTION 34 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

As required, a copy of the Draft Prospectus has been submitted to NSE. NSE has given vide its letter no. [●]dated [●]permission to the Company to use the Exchange's name in the offer document as one of the Stock Exchange(s) on which the Company's securities are proposed to be listed.

The Exchange has scrutinised the offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document, nor does it warrant that the Company's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquires any of the Company's securities may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

For details regarding the track record of the Lead Manager to the Issue, please refer to the website of the Lead Manager: www.mefcom.in

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated March 11, 2014, the Underwriting Agreement [●].dated. [●].entered into among the Underwriters and our Company and the Market Making Agreement [●].entered into among the Lead Manager, Market Maker and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India {including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds}. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in New Delhi only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in

reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

FILING

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at the Corporate Finance Department, Plot No. C-4A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013, will be delivered to the RoC situated at 4th Floor, IFCI Tower, 61, Nehru Palace, New Delhi- 110019.

LISTING

The Equity Shares issued through the Prospectus are proposed to be listed on the SME platform of the NSE. Initial listing application has been made to the NSE for permission to list the Equity Shares and for an official quotation of the Equity Shares of our Company. The NSE shall be the Designated Stock Exchange. In case the permission for listing of the Equity Shares is not granted by the NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after the day from which our Company becomes liable to repay it (i.e. from the date of refusal or within ten working days from the Issue Closing Date, whichever is earlier) then our Company and every director of our Company who is an officer in default shall, on and from expiry of 8 days, be jointly and severally liable to repay that money with interest, at 15% per annum on the application monies as prescribed under Section 40 of the Companies Act, 2013.

Our Company with the assistance of the Lead Manager shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME platform of the NSE are taken within twelve Working Days of Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Statutory Auditors, Bankers to the Company; and (b) the Lead Manager, Escrow Collection Bankers, Registrar to the Issue, the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Raj M S Gupta & Co. Chartered Accountants, the Auditors of the Company have agreed to provide their written consent to the inclusion of, statement of funds deployed dated September 24, 2014 and statement of tax benefits dated September 22, 2014 relating to the possible tax benefits, as applicable, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Draft Prospectus. The peer review auditors M/s G.C. Agarwal & Associates, Chartered Accountants, have also agreed to give their written consent to the inclusion of their report dated August 12, 2014 on restated financial statements.

EXPERT’S OPINION

The Company has not obtained any opinions from an expert as per the Companies Act.

PUBLIC ISSUE EXPENSES

The Management estimates an expense of Rs. 60 Lacs towards Issue expense. The expenses of this Issue include, among others, underwriting and 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 follows:

Particulars	Amount (Rs. In Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	45.00	75.00	2.27
Printing & Stationery, Distribution, Postage, etc	[●]	[●]	[●]
Advertisement & Marketing Expenses	[●]	[●]	[●]
Regulatory & other expenses	[●]	[●]	[●]
Total	60.00	100	3.03

FEES PAYABLE TO LEAD MANAGER TO THE ISSUE

The total fees payable to the Lead Manager will be as per the Engagement Letters from our Company and Lead Manager and Memorandum of Understanding signed with the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable by the Company to the Registrar to the Issue for processing of application, data entry, printing of CAN/ refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Memorandum of Understanding signed with the Company, copy of which is available for inspection at the Registered Office of our Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and 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.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned on [●] of this Draft Prospectus.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES

Since this is the Initial Public Offer of the 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 the Equity Shares since inception of the Company.

CAPITAL ISSUE DURING THE LAST THREE YEARS

Enn Tee International Limited have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the section titled “Capital Structure” on 39 of this Draft Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

PROMISE VIS-À-VIS PERFORMANCE

Our Company has not made any public or rights issue since its inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1) (B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

There are no listed companies under the same management within the meaning of Section 370(1)(b) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 that made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely Bigshare Services Pvt. Ltd, will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the registrar to the Issue in attending to the grievances to the investor. The Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

Sr. No.	Nature of complaint	Time Table
1.	Non-receipt of refund	Within 7 days of receipt of complaint subject to production of satisfactory evidence.

2.	Non receipt of share certificate/ Demat Credit	Within 7 days of receipt of complaint subject to production of satisfactory evidence.
3.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details.

Redressal of investors' grievance is given top priority by the Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. The Company has adequate arrangements for redressal of investor complaints as follows:

Share transfer/ dematerialization/ rematerialization are handled by professionally managed Registrar and Transfer Agent, appointed by the Company in terms of SEBI's direction for appointment of Common Agency for physical as well as demat shares. The Registrars are constantly monitored and supported by qualified and experienced personnel of the Company.

We have appointed Mr. Kuldeep Dahiya as Company Secretary and Compliance Officer and he may be contacted in case of any pre-issue or post-issue problems. He can be contacted at the following address:

Mr. Kuldeep Dahiya,
 Company Secretary & Compliance Officer
 Tel: +91- 011-27246642, 32320253
 Fax: +91- 011-47063624
 E-Mail: admin@enntee.com

CHANGES IN AUDITORS

There has been no change in the auditors of our Company in the last three years.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS

Our Company has not capitalized any reserve during the last five (5) years.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during the last five (5) years.

SECTION VII

ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of the Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled “Main Provisions of the Articles of Association of the Company” on page no 186 of this Draft Prospectus.

AUTHORITY FOR THE PRESENT ISSUE

The Issue has been authorized by a resolution of the Board passed at their meeting held on September 01, 2014, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013, passed at the Extra-Ordinary General Meeting of the Company held on September 23, 2014.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (“CAN”) 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, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, SME platform of NSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

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 dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the section titled “Dividend Policy” on page no 117 of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs. 10/- each are being offered in terms of this Draft Prospectus at the price of Rs. 33/- 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 of Issue Price” on 55 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH THE SEBI 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 the applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and 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 company under the Companies Act 2013, the terms of the Listing Agreement to be entered into with the Stock Exchange and our Company's Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section "Main Provisions of the Articles of Association" on page 186 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialised form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

In terms of Section 68B of the Companies Act 1956 and Section 23 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 4,000 Equity Shares and the same may be modified by NSE 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 4,000 Equity Share subject to a minimum allotment of 4,000 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 4,000 Equity Share subject to a minimum allotment of 4,000 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.

JOINT HOLDERS

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, the sole or first Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 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 the Registered Office of our Company or to the Registrar to the Issue.

In accordance with Section 72 of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may, at any time, give notice requiring any nominee to choose either to register himself or herself or to transfer the Equity Shares and if the notice is not complied with within a period of 90 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 dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the applicant would prevail. If the investors require change in their nomination, they are requested to inform their respective Depository Participant.

ISSUE PERIOD

Applicants may submit their applications only in the Issue Period. The Issue Opening Date is [●] and the Issue Closing Date is [●].

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under section 40 of the Companies Act, 2013.

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.

MIGRATION TO MAIN BOARD

Our Company may migrate to the Main Board of NSE from the SME Platform on a later date subject to the following:

- ❖ If the paid up capital of our Company is likely to increase above Rs. 2,500 lacs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders against the proposal and for which our Company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- ❖ If the paid up capital of our Company is more than Rs. 1,000 lacs but below Rs 2,500 lacs, our Company 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 Equity Shares offered through this Issue are proposed to be listed on the Stock Exchange, wherein the Lead Managers shall ensure compulsory market making through the registered Market Makers of the Stock Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of Equity Shares offered through the Prospectus. For further details of the market making arrangement, please refer to the section “General Information” on page 32 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of 4,000 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 NSE.

RESTRICTION ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer to the section titled “Main Provisions of the Articles of Association of the company” on page no 186 of this Draft Prospectus.

APPLICATION BY ELIGIBLE NRIS, FIIS AND FOREIGN VENTURE CAPITAL FUNDS REGISTERED WITH SEBI

As per the extant policy of the Government of India, OCBs cannot participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, there exists 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 initial public offering. 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. It is to be distinctly understood that there is no reservation for NRIs, FIIs or FVCIs registered with SEBI, Applicants will be treated on the same basis with other categories for the purpose of allocation.

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.

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 Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Managers 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 this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

WITHDRAWAL OF THE ISSUE

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- i. The final listing and trading approvals of NSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and
- ii. The final RoC approval of the Draft Prospectus after it is filed with the RoC. In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

ISSUE OF EQUITY SHARES IN DEMATERIALISED FORM IN THE ISSUE

In accordance with the SEBI Regulations, Equity Shares will be issued, transferred and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with competent courts/authorities in New Delhi, India.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M) (2) of Chapter X-B of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, An issuer whose post-issue face value capital exceeds ten crore rupees but do not exceed twenty five crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the NSE-Emerge). For further details regarding the salient features and terms of such an Issue please refer the section titled “*Terms of the Issue*” and “*Issue Procedure*” on page 152 and page 161 of this Draft Prospectus.

Following is the Issue structure:

Public Issue of 60,00,000 equity shares of Rs.10/- each (the “Equity Shares”) for cash at a price of Rs.33/- per Equity Share aggregating to Rs.1980 Lacs (“the **Issue**”) by Enn Tee International Limited (“**ETIL**” or the “Company” or the “Issuer”).

The Issue comprises reservation of 3,00,000 Equity Shares for subscription by the designated Market Maker (“the **Market Maker Reservation Portion**”) and Net Issue to Public of 57,00,000 Equity Shares (“the **Net Issue**”).

PARTICULARS OF THE ISSUE	NET ISSUE TO PUBLIC*	MARKET MAKER RESERVATION PORTION
Number of Equity Shares Available for allocation	57,00,000 Equity Shares	3,00,000 Equity Shares
Percentage of Issue Size Available for allocation	95% of the Issue size	5% of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 4000 Equity Shares and further allotment in multiples of 4000 Equity Shares each. For further details please refer to the section titled “ <i>Issue Procedure – Basis of Allotment</i> ” on page 182 of this Draft Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value exceeds Rs.2,00,000/- For Retail Individuals: 4,000 Equity Shares	4,000 Equity Shares

Maximum Application Size	For QIB and NII: Not exceeding 60,00,000 Equity Shares For Retail Individuals: Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Value does not exceed Rs. 2, 00,000/-.	60,00,000 Equity Shares
Mode of Allotment	Dematerialized Form only	Dematerialized Form only
Trading Lot	4000 Equity Shares	4,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI
Who can apply	As QIBs – Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, VCFs, FVCIs and AIFs registered with SEBI, FIIs and subaccount registered with SEBI (other than a subaccount which is a foreign corporate or foreign individual), multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund with minimum corpus of ` 2,500 lacs, pension fund with minimum corpus of ` 2,500 lacs and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India. As Non Institutional Applicants- Resident Indian individuals, HUF (in the name of Karta), companies, Eligible NRIs, corporate bodies, Scientific Institutions, Societies and Trusts, sub accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	
Terms of Payment(2)	The entire Application Amount will be payable at the time of submission of the Application Form.	

*50% of the shares offered are reserved for applications below Rs.2 Lacs and the balance for higher amount applications.

- (1) Allocation to all categories in the Net Issue portion shall be made on a proportionate basis. In the event the Retail Individual Applicants are entitled to more than fifty percent on a proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. Under-subscription, 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 Managers and the Stock Exchange.

- (2) In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant that are specified in the Application Form.

*SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the **Circular**) standardized the lot size for initial public offer proposing to list on SME Exchange/platform and for the secondary market trading on such exchange/platform, as under:

Price Band	Lot Size (No. of Shares)
Upto 14	10,000
more than 14 upto 18	8,000
more than 18 upto 25	6,000
More than 25 upto 35	4,000
more than 35 upto 50	3,000
more than 50 upto 70	2,000
more than 70 upto 90	1,600
more than 90 upto 120	1,200
more than 120 upto 150	1,000
more than 150 upto 180	800
more than 180 upto 250	600
more than 250 upto 350	400
more than 350 upto 500	300
more than 500 upto 600	240
more than 600 upto 750	200
More than 750 upto 1,000	160
Above 1000	100

Further to the Circular, at the initial public offer stage, the Registrar to the Issue, in consultation with the Lead Managers, our Company and the Designated Stock Exchange shall ensure to finalize the Basis of Allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO lot size at the application / allotment stage, facilitating secondary market trading. The lot size shall not be reduced by the Stock Exchange to below the initial lot size if the trading price is below the IPO issue price. The Stock Exchange can review the lot size once in every 6 months / wherever warranted, by giving an advance notice of at least one month to the market. However, as far as possible, the Stock Exchange shall ensure that odd lots are not created. In case of oversubscription, if the option to retain ten percent of the Net Issue to public for the purpose of making allotment in minimum lots is exercised, then it shall be ensured by the Issuer / Stock Exchange / Lead Managers that the post issue paid up capital of the Issuer does not go beyond Rs 2,500 lacs.

WITHDRAWAL OF THE ISSUE

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- The final listing and trading approvals of NSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and
- The final ROC approval of the Prospectus after it is filed with the ROC. In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one

Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If 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.

ISSUE OPENING DATE	 ●
ISSUE CLOSING DATE	 ●

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(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.

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialization form. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialization form only. The Equity Shares on allotment will be traded only on the dematerialization segment of the SME Platform of NSE.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this 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	Colour Of Application Form
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?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines;

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;

2. Hindu Undivided Families or HUFs, in the individual name of the Karta The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional or charter documents;
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 cannot participate in the Issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB category;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional Applicants category;
9. VCF and AIFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Multilateral and bilateral development financial institutions;
13. State Industrial Development Corporations;
14. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in Equity Shares;
15. Scientific and/or industrial research organizations authorised in India to invest in Equity Shares;
16. Insurance companies registered with IRDA;
17. Provident Funds with a minimum corpus of Rs. 2,500 lacs and who are authorised under their constitutional documents to hold and invest in Equity Shares;
18. Pension Funds with a minimum corpus of Rs. 2,500 lacs and who are authorised under their constitutional documents to hold and invest in Equity Shares;
19. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
20. Multilateral and Bilateral Development Financial Institutions;
21. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
22. Insurance funds set up and managed by the army, navy or air force of the Union of India;

23. Insurance funds set up and managed by the Department of Posts, India; and
24. Any other person eligible to apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

Applications not to be made by:

- Minors (except those having valid demat account, as per Demographic Details provided by Depositories)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

Please note that, as per the existing regulations, OCBs cannot apply/participate in this Issue.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The information below is given for the benefit of the applicants. Our Company and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.

Participation by associates of the Lead Managers

The Lead Managers shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations or market making obligations. However, associates and affiliates of the Lead Managers may subscribe to or purchase Equity Shares in the Issue on a proportionate basis. Such holding or subscription may also be on behalf of their clients.

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 Centre's of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e. www.nseindia.com.

Option to Subscribe in the Issue

- Allotment in this issue will be only in dematerialization form
- The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non Repatriation

Application 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.

Applications 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

Eligible NRIs may apply through any of the following ways:

- In case of applications on repatriation basis shall use the Application Form meant for Non Resident Indians (Blue in colour) or
- In case of applications on non repatriation basis shall use the Application Form meant for resident Applicants (White in colour).

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.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

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 (i.e. 10% of 96,97,391 Equity Shares). 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 VCFs, FVCIs and AIFs

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(**VCF Regulations**) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 (**FVCI Regulations**), 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 category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial

public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Applications by Eligible QFIs

In terms of circular dated January 13, 2012 SEBI and RBI have permitted Eligible QFIs to purchase equity shares of Indian companies on a repatriation basis subject to certain terms and conditions. Eligible QFIs shall be included under the Non Institutional Applicants category. Eligible QFIs have been permitted to invest through SEBI registered qualified Depository Participants in equity shares of Indian companies which are offered to the public in India in accordance with the SEBI Regulations and other applicable circulars. The individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid-up capital, respectively. These limits are in addition to the investment limits prescribed under the portfolio investment scheme for FIIs and NRIs. However, in cases of those sectors which have composite foreign investment caps, Eligible QFI investment limits are required to be considered within such composite foreign investment cap.

Eligible QFIs are required to instruct their DPs to make the application on their behalf for the Issue. DPs are advised to use the Application Form meant for Non-Residents (blue in colour). DPs are required to utilise the ASBA process to participate in the Issue. Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

Eligible QFIs shall open a single non interest bearing Rupee account with an AD category-I bank in India for routing the payment for transactions relating to purchase of equity shares (including investment in equity shares in public issues) subject to the conditions as may be prescribed by the RBI from time to time.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- Equity shares of a company : the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- The entire group of the investee company : the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPs); and
- The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPs).

Applications Made By Provident Funds / Pension Funds

In case of the applications made by provident funds / pension funds, subject to applicable law, with minimum corpus of Rs. 2,500 lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be

attached to the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

1. With respect to applications by VCFs, AIFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
2. With respect to applications by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged along with the Application Form.
3. With respect to applications made by provident funds with a minimum corpus of Rs. 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue, that for the purpose of printing particulars on the refund order and mailing of the refund order/ Allotment Advice or 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 Applicants). In such cases, the Registrar to the Issue shall use Demographic Details as given in the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Application Size

a. For Retail Individual Applicants:

The Application must be for a minimum of 4,000 Equity Shares and in multiples of 4,000 Equity Share thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

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 Rs. 200,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for

more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants:

- a. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional language newspaper with wide circulation. This advertisement shall be in the prescribed format.
- b. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- c. The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- d. 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 registered office of the LM.
- e. Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- f. Applications made in the Name of Minors and/or their nominees shall not be accepted.
- g. 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.
- h. The Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Method and Process of Applications

1. The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.
6. Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on [●] of this Prospectus.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. 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 ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Escrow Mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism, terms of payment and payment into Escrow Accounts, please refer to the section “Issue Procedure - Payment Instructions” on 161 of this Prospectus.

Electronic Registration of Applications

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the Bankers to the Issue and the SCSBs, (iii) the applications accepted but not uploaded by the SCSBs or

(iv) with respect to applications by ASBA Applicants, applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Bankers to the Issue and the SCSBs and their authorised agents during the Issue Period. The Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Bankers to the Issue and the Designated Branches of the SCSBs shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

With respect to applications by ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA Applicants into the on-line system:

- Name of the ASBA Applicant (s);
- Application Form number;
- PAN (of the sole/first ASBA Applicant), except for applications on behalf of Central and State Governments, residents of the State of Sikkim and officials appointed by the courts;
- Investor Category and Sub-Category:

Retail	Non-Institutional	QIB
(No sub category)	Individual Corporate Others	Mutual Funds Financial Institutions Insurance companies Foreign Institutional Investors other than corporate and individual sub-accounts Others

- DP ID and client identification number of the beneficiary account of the Applicant;
 - Number of Equity Shares applied for;
 - Quantity;
 - Application Amount; and
 - Bank account number.
6. A system generated TRS will be given to the Applicant as a proof of the registration of each of the application options. It is the Applicant's responsibility to obtain the TRS from the Bankers to the Issue or the Designated Branches of the SCSBs. The registration of the application by the Bankers to the Issue or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated / allotted either by the Bankers to the Issue or our Company.
 7. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

8. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds listed on [●] of this Draft Prospectus. The SCSBs shall have no right to reject applications, except on technical grounds.
9. The permission given by the Stock Exchange to use its network and software of the online IPO connectivity system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
10. The SCSBs will be given up to one day after the Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system during the Issue Period after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such applications are liable to be rejected.
11. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

Allocation of Equity Shares

1. The Issue is being made through the Fixed Price Process wherein 3,00,000 Equity Shares shall be reserved for Market Maker. 28,50,000 equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

1. Our Company and the Underwriters shall enter into an Underwriting Agreement.
2. After signing the Underwriting Agreement, our Company will update and file the updated Prospectus with the RoC in accordance with the applicable law. The Prospectus would have details of the Issue Opening and Issue Closing Date and underwriting arrangements and will be complete in all material respects.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in two national newspapers (one each in English and Hindi) and in one regional language newspaper with wide circulation.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.
2. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Designated Date and Allotment of Equity Shares

1. Our Company will ensure that the (i) Allotment of Equity Shares; and (ii) credit to the successful Applicant's depository account is done within 12 Working Days of the Issue Closing Date.
2. In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
3. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act.

Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS
Do's:

1. Check if you are eligible to apply;
2. Ensure that you have applied at the Issue Price;
3. Read all the instructions carefully and complete the Application Form;
4. Ensure that the details about the PAN, Depository Participant and the beneficiary account are correct and the Applicant's Depository Account is active as Allotment of Equity Shares will be in the dematerialised form only;
5. Ensure that the applications are submitted at the collection centres only on forms bearing the stamp of a Broker or with respect to ASBA Applicants, ensure that your application is submitted at a Designated Branch of the SCSB where the ASBA Applicant or the person whose bank account will be utilised by the Applicant for applying, has a bank account;
6. With respect to applications by ASBA Applicants, ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
7. Non Retail Applicants should submit their applications through the ASBA process only;
8. Ensure that full Application Amount is paid for the applications submitted to the Bankers to the Issue and funds equivalent to Application Amount are blocked in case of applications submitted through SCSBs;
9. Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB or a Banker to the Issue, as the case may be;
10. Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
11. Except for applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) applications by persons resident in the State of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, for applications of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Application Form. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same;
12. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
13. 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. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
14. Ensure that the category is indicated;
15. Ensure that in case of applications under power of attorney or applications by limited companies, corporate, trusts etc., relevant documents are submitted;

16. Ensure that applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
17. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the SCSBs match with the DP ID, Client ID and PAN available in the Depository database;
18. In relation to the ASBA applications, ensure that you use the Application Form bearing the stamp of the relevant SCSB and/ or the Designated Branch;
19. In relation to the ASBA applications, ensure that your Application Form is submitted at a Designated Branch of a SCSB where the ASBA Account is maintained or to our Company or the Registrar to the Issue;
20. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
21. In relation to the ASBA applications, ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form; and
22. In relation to the ASBA applications, ensure that you receive an acknowledgement from the Designated Branch for the submission of your Application Form.

Don'ts:

1. Do not apply for a price other than the Issue Price;
2. Non Retail Applicants should neither withdraw nor lower the size of their applications at any stage;
3. Do not apply on another Application Form after you have submitted an application to the Bankers to the Issue or the SCSBs, as applicable;
4. Do not pay the Application Amount in cash, by money order or by postal order or by stockinvest;
5. Do not send Application Forms by post; instead submit the same to a Banker to the Issue or the SCSB, only;
6. Do not apply for an Application Amount exceeding Rs 2,00,000 (for applications by Retail Individual Applicants);
7. 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;
8. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
9. Do not submit the applications without the full Application Amount;
10. Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
11. Do not submit applications on plain paper or incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant; and
12. Do not apply if you are not competent to contract under the Indian Contract Act, 1872, as amended.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

Instructions for completing the Application Form

Applications must be:

1. Made only in the prescribed Application Form.
2. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Bankers to the Issue and/or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.
3. Information provided by the Applicants will be uploaded in the online IPO system by the Bankers to the Issue and the SCSBs, as the case may be and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible.
4. For Retail Individual Applicants, the application must be for a minimum of 4,000 Equity Shares and in multiples of 4,000 thereafter subject to a maximum Application Amount of Rs. 2,00,000.
5. For Non Retail Applicants, applications must be for a minimum of such number of Equity Shares that the Application Amount exceeds or equal to Rs.2,00,000 and in multiples of 4,000 Equity Shares thereafter.

Applications cannot be more than the size of the Issue. Applications must be submitted through the ASBA process only.

6. In single name or in joint applications, only the name of the First Applicant (which should also be the first name in which the beneficiary account is held) should be provided in the Application Form.
7. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Applicants should note that on the basis of name of the Applicants, PAN of the Applicants, DP ID 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. These bank account details would be used for giving refunds (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) or unblocking the ASBA Accounts. 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 or unblocking of ASBA Account at the Applicant's sole risk and neither the Lead Manager nor the Registrar to the Issue nor the Escrow Collection Banks or the SCSBs nor our 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.

It is mandatory that Applicants provide bank account details in the space provided in the application form and applications that do not contain such details are liable to be rejected.

IT IS MANDATORY FOR ALL THE APPLICANTS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL APPLICANTS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the allocation advice and refund orders 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.

Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Manager 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 the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

APPLICATIONS BY NON-RESIDENTS INCLUDING ELIGIBLE NRIS, FIIS, ELIGIBLE QFIS AND FOREIGN VENTURE CAPITAL INVESTORS ON A REPATRIATION BASIS

Applications must be made in the following manner:

1. Application Form should be Blue in colour and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or in case of joint applications, only the name of the First Applicant (which should also be the first name in which the beneficiary account is held) should be provided in the Application Form.
3. Applications on a repatriation basis shall be in the names of individuals, or in the name of FIIs, Eligible QFIs or FVCIs but not in the names persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs or Eligible QFIs) or their nominees.

Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the rate of exchange prevailing at the time of remittance 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. Our Company and the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, Eligible QFIs and FIIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand draft in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for ASBA Applicants

The ASBA Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or

rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Payment into Escrow Account for Applicants other than ASBA Applicants

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. In case of Resident Retail: **“Escrow Account – Enn Tee International Limited - Public Issue - R”**
 - b. In case of Non-Resident Retail: **“Escrow Account – Enn Tee International Limited - Public Issue - NR”**
4. In case of applications by Eligible 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 NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
5. In case of applications by Eligible NRIs applying on non-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 NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Applicant applying on a non repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.
8. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stock invest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.

Submission of Application Form

All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.

OTHER INSTRUCTIONS

Joint applications in the case of Individuals

Applications may be made in single or joint names (not more than three). However, the Application Form should contain only the name of the First Applicant. 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. 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). Two or more applications will be deemed to be multiple applications if the sole or First Applicant is one and the same.

In case of a Mutual Fund, a separate application may be made in respect of each scheme of the Mutual Fund and such applications in respect of over 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. After submitting an application to SCSB using an Application Form either in physical or electronic mode, an ASBA Applicant cannot apply, either in physical or electronic mode, whether on another Application Form, to either the same or another Designated Branch of the SCSB. Submission of a second application in such manner will be deemed a multiple application and would be rejected either before entering the application into the electronic collecting system or at any point of time prior to the allocation or Allotment of the Equity Shares in the Issue. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account. Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. Our Company, in consultation with the Lead Manager, reserves the right to reject, in its absolute discretion, all (or all except one) multiple application(s) in any or all categories. In this regard, the procedures which would be followed by the

Registrar to the Issue to detect multiple applications is given below:

1. All applications will be checked for common PAN as per the records of Depository. For Applicants other than Mutual Funds and FII sub-accounts, applications bearing the same PAN will be treated as multiple applications and will be rejected.
2. The applications from Mutual Funds and FII sub-accounts, which were submitted under the same PAN, as well as applications on behalf of the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, for whom the submission of PAN is not mandatory, the applications will be scrutinised for DP ID and beneficiary account numbers. In case such applications bear the same DP ID and beneficiary account numbers, these were treated as multiple applications and will be rejected.

Permanent Account Number or PAN

Except for applications on behalf of the Central or State Government and the officials appointed by the courts, the Applicants, or in the case of an application in joint names, each of the Applicants, should mention his/ her Permanent Account Number (PAN) allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Any Application Form without the PAN is liable to be rejected, except for resident in the State of Sikkim, on behalf of the Central or State Governments and the officials appointed by the courts, may be exempted from specifying their PAN for transactions in the securities market. 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. However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e. either Sikkim category or exempt category.

Further the beneficiary accounts of the Applicants for whom PAN details have not been verified will be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Applicants.

REJECTION OF APPLICATIONS

In case of Non -Retail Applicants and Retail Individual Applicants, our Company has a right to reject applications based on technical grounds. Consequent refunds shall be made by RTGS / NEFT / NES / Direct Credit/cheque or pay order or draft and will be sent to the Applicant’s address at the Applicant’s risk. With respect to applications by ASBA Applicants, the Designated Branches of the SCSBs shall have the right to reject applications by ASBA Applicants if at the time of blocking the Application Amount in the Applicant’s bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Applicant’s bank account maintained with the SCSB. Subsequent to the acceptance of the applications made by ASBA Applicants by the SCSB, our Company would have a right to reject the applications by ASBA Applicants only on technical grounds.

Grounds for Technical Rejections

Applicants are advised to note that applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the value of Equity Shares applied for. With respect to applications by ASBA Applicants, the amounts mentioned in the Application Form does not tally with the amount payable for the value of the 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, as amended, including minors (except those having valid demat account, as per Demographic Details provided by Depositories);
- PAN not mentioned in the Application Form, except for applications by or on behalf of the Central and State Government and the officials appointed by the courts and by investors residing in the State of Sikkim;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Submission of more than five Application Forms per bank account, in case of applying under the ASBA process;
- Applications by Applicants whose demat accounts have been ‘suspended for credit’;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Applications for an Application Amount less than Rs.1,00,000 by a Retail Individual Applicant;
- Category not indicated;

- Multiple applications as defined in the Prospectus;
- In case of applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Applications accompanied by stockinvest / money order / postal order/cash;
- Signature of sole Applicant missing;
- Application Forms does not have Applicant's Depository Account details;
- Application Forms are not delivered by the Applicants 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 DP ID and the beneficiary's account number;
- With respect to applications by the ASBA Applicants, if there are inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications in respect where the Application Form do not reach the Registrar to the Issue prior to the finalisation of the Basis of Allotment;
- Applications where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Application Forms submitted under the ASBA process not having details of the ASBA Account to be blocked;
- Application Forms not containing the authorizations for blocking the Application Amount in the bank account specified in the Application Form;
- Applications by Non Retail Applicants not submitted through ASBA process;
- Applications by Non Retail Applicants accompanied by cheque(s) or demand draft(s);
- Signature of the Applicant not matching with his signature on record with the SCSB in the event an Application Form is submitted through a Banker to the Issue;
- Applications by any person outside India if not in compliance with applicable foreign and Indian Laws; and
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

IN CASE THE DP ID, CLIENT ID AND PAN MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC COLLECTING SYSTEM OF THE STOCK EXCHANGE OR THE BANKERS TO THE ISSUE /THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITORIES, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

The Allotment of Equity Shares in this Issue shall be only in a dematerialized form (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated [●] between NSDL, our Company and the Registrar to the Issue; and
2. Agreement dated August 11, 2014 between CDSL, our Company and the Registrar to the Issue.

Our Company's International Securities Identification Number (**ISIN**) is INE170R01017.

All Applicants can seek Allotment only in dematerialised mode. Applications from any Applicant without relevant details of his or her Depository Account are liable to be rejected.

- i. An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the application.
- ii. The Applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing in the Application Form.
- iii. Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- iv. Names in the Application Form should be identical to those appearing in the account details in the Depository.
- v. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- vi. If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form, it is liable to be rejected.
- vii. 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.
- viii. Equity Shares in electronic form can be traded only on the stock exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- ix. The trading of the Equity Shares of our Company would be in dematerialized form only for all investors in the demat segment of the respective Stock Exchange.
- x. Non transferable advice or refund orders will be directly sent to the Applicants by the Registrar to the Issue.

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 Bankers to the Issue or the Designated Branch of the SCSBs where the application was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA applications, bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants 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 Equity Shares in the respective beneficiary accounts, refund orders etc. In case of ASBA applications submitted with the Designated Branches of the SCSBs, Applicants can contact the Designated Branches of the SCSBs.

Payment of Refund

Applicants other than ASBA Applicants must note that on the basis of the names of the Applicant's DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain, from the Depositories, the Applicants' bank account details, including the nine digits MICR code as appearing on a cheque leaf.

On the Designated Date and no later than 12 Working Days from the Issue Closing Date, the Escrow Collection Banks shall dispatch refund orders for all amounts payable to unsuccessful Applicants (other than ASBA Applicants) and also the excess amount paid on applying, if any, after adjusting for allocation/Allotment to such Applicants.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, for Applicants other than ASBA Applicants would be done through various modes in the following order of preference:

1. NECS – Payment of refund would be done through NECS 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 the centres

where such facility has been made available, except where the applicant, being eligible, opts to receive refund through 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 Banker(s) for the same would be borne by our Company.
3. RTGS – Applicants having a bank account at any of the centres where clearing houses are managed by the RBI and whose refund amount exceeds Rs 2,00,000 will be considered to receive refund through RTGS. For such eligible Applicants, Indian Financial System Code (IFSC) will be derived based on the MICR code of the Applicant as per depository records/RBI master. In the event the same is not available as per depository records/RBI master, refund shall be made through NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. NEFT – Payment of refund shall be undertaken through NEFT wherever the Applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC 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 of that particular bank branch and the payment of refund will be made to the Applicants through this method. For all other Applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched 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.

Investors are requested to note that the Government of India has discontinued the facility of dispatch of refund orders of value up to Rs 1,500 under certificate of posting.

Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA applications within 12 Working Days of the Issue Closing Date.

Disposal of applications and application moneys and interest in case of delay

With respect to Applicants other than ASBA Applicants, our Company shall ensure dispatch of allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 12 Working Days from the Issue Closing Date. In case of Applicants who receive refunds through NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 Working Days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 12 Working 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.

Our Company shall ensure that all the steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed, are taken within 12 Working Days from the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, our Company further undertakes that:

1. Allotment of Equity Shares shall be made only in dematerialised form within 12 Working Days of the Issue Closing Date; and
2. With respect to Applicants other than ASBA Applicants, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 Working Days of the Issue Closing Date would be ensured. With respect to the ASBA Applicants, instructions for

unblocking of the ASBA Applicant's Bank Account shall be made within 12 Working Days from the Issue Closing Date.

Our Company shall pay interest at 15% per annum for any delay beyond the 12 Working Days time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 12 Working Days time period prescribed above. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

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:

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- ii. 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***
- iii. 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.”***

Basis of Allotment

1. For Retail Individual Applicants

- Applications received from the Retail Individual Applicants at the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Applicants will be made at the Issue Price.
- 28,50,000 equity shares shall be available for Allocation to Retail Individual Applicants who have applied at the Issue Price.
- If the aggregate demand in this category is less than or equal to 28,50,000 Equity Shares at the Issue Price, full Allotment shall be made to the Retail Individual Applicants to the extent of their valid applications.

2. For Non Retail Applicants

- Applications received from Non Retail Applicants at the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non Retail Applicants will be made at the Issue Price.
- The Net Issue size less Allotment to Retail Portion shall be available for Allotment to Non Retail Applicants who have applied at the Issue Price.
- If the aggregate demand in this category is less than or equal to 28,50,000 Equity Shares at the Issue Price, full Allotment shall be made to Non Retail Applicants and to the extent of their demand;
- In case the aggregate demand in this category is greater than 28,50,000 Equity Shares at the Issue Price, Allotment shall be made on a proportionate basis. For the method of proportionate basis of Allotment, refer below.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the Lead Manager and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

1. Applicants will be categorised according to the number of Equity Shares applied for.

2. The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Applicants in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
3. Number of Equity Shares to be allotted to the successful Applicants will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Applicant in that category multiplied by the inverse of the over-subscription ratio.
4. In all applications where the proportionate Allotment is less than 4,000 Equity Shares per Applicant, the Allotment shall be made as follows:
 - The successful Applicants out of the total Applicants for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with 2 above; and
 - Each successful Applicant shall be allotted a minimum of 4,000 Equity Shares.
5. If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Applicants in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted Equity Shares are not sufficient for proportionate Allotment to the successful Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for minimum number of Equity Shares.

In an issue made through the Fixed Price Method, allocation in the net offer to public category shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) remaining to:
 - individual applicants other than retail individual investors; and
 - other investors including corporate bodies or institutions, irrespective of the number of equity shares applied for;
- c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Investors may note that 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.

Letters of Allotment or Refund Orders

Our Company shall credit the Allotted Equity Shares to the beneficiary account with Depository Participants within 12 Working Days from the Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI will get refunds through NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. Our Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the Applicant's sole risk within 12 Working Days of the Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of the Issue Closing Date. In case of ASBA Applicants, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA applications within 12 Working Days of the Issue Closing Date.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/ instruction to the SCSBs by the Registrar

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, our Company agrees that as far as possible Allotment of Equity Shares to the public and credit to the successful Applicants' Depository Accounts will be completed within 12 Working Days from the Issue Closing Date. Our

Company further agrees that they shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if Allotment is not made, refund orders are not dispatched and/or demat credits are not made to investors within the 12 Working Day time prescribed above. However applications received after the closure of the Issue in fulfillment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

Our Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed within 12 working from the Issue Closing Date;
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 12 Working 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 if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
6. That the certificates of the securities/ refund orders to the eligible NRIs shall be dispatched within specified time;
7. 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.; and
8. That adequate arrangement shall be made to collect all Application Forms and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Our Company shall not have recourse to the Issue proceeds until the receipt of final listing and trading approval for trading of the Equity Shares from the Stock Exchange where listing is sought.

Utilisation of Issue proceeds

Our Board of Directors certifies that:

1. All monies received out of the Issue shall be 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 Issue shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised; and
3. Details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which

such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and RBI.

(THE COMPANIES ACT, 2013)
 (COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
ENN TEE INTERNATIONAL LIMITED

Interpretation

- I. (1) In these Regulations :-**
- (a) "Company" means 'ENN TEE INTERNATIONAL LIMITED'
 - (b) "Office" means the Registered Office of the Company.
 - (c) "Act" means the Companies Act, 2013, and any statutory modification thereof.
 - (d) "Seal" means the Common Seal of the Company.
 - (e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called.
- (2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

The date at which these regulations become binding on the company.

Share capital and variation of rights

- II. 1.** Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- 2. (i)** Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii)** Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii)** In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 3. (i)** If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu

thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

(iii) Permission for sub-division/consolidation of share certificate.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
 (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (i) The company shall have a first and paramount lien—
 (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
 Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
 (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
 (iii) The fully paid shares shall be free from all liens 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.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (iv) The option or right to call of shares shall not be given to any person except with the sanction of the Issuer in General Meeting.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (iii) Any amount paid up in advance of calls on any shares may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19.

- A. The Company shall use a common form of transfer.
- B. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) Any transfer of shares on which the company has a lien, provided that registration of 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 Issuer on any account.

21. The Board may decline to recognize any instrument of transfer unless—

- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
27. In case of a One Person Company—
(i) On the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;
(ii) The nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;
(iii) Such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;
(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

Forfeiture of shares

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
29. The notice aforesaid shall—
 - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - (iii) The transferee shall thereupon be registered as the holder of the share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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 the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. Subject to the provisions of section 61, the company may, by ordinary resolution,—
 - (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from 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 the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalization of profits

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

- (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (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 thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.
43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
45. he chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
48. In case of a One Person Company—

- (i) The resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;
- (ii) Such minutes book shall be signed and dated by the member;
- (iii) The resolution shall become effective from the date of signing such minutes by the sole member.

Adjournment of meeting

49. (i) The Chairperson may, with the consent of any 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.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. 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 the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

60. The following shall be the first Director of the company:
1. **HARISH CHANDER**
 2. **SHAM SUNDER**
 3. **MANISH AGGI**
 4. **VIJAY KUMAR**
61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
62. The Board may pay all expenses incurred in getting up and registering the company.
63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
64. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote
69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
72. (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
73. (i) A committee may meet and adjourn as it thinks fit.
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
76. In case of a One Person Company—
(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;
(ii) such minutes book shall be signed and dated by the director;
(iii) the resolution shall become effective from the date of signing such minutes by the director.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
78. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

79. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; 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 Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (iv) There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the 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.
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
88. No dividend shall bear interest against the company.

Accounts

89. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

Winding up

90. Subject to the provisions of Chapter XX of the Act and rules made there under—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX: OTHER INFORMATION

LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before this Draft Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of this Draft Prospectus and have been delivered to the SME platform of NSE Limited and may be inspected at the Registered Office of the Company situated at A-64/1, First Floor, G.T. Karnal Road Industrial Area, Azadpur, New Delhi-110 033 between 9:30 am to 5:30 pm on any working day from the date of this Draft Prospectus until the date of closure of the subscription List.

MATERIAL CONTRACTS

1. Engagement Letter dated March 11, 2014 appointing Mefcom Capital Markets Limited as Lead Manager to the Issue.
2. Memorandum of Understanding dated August 12, 2014 between our Company and the Lead Manager to the Issue.
3. Memorandum of Understanding dated July 07, 2014 entered in to with Bigshare Services Private Limited to appointing them as the Registrar to the Issue.
4. Copy of tripartite agreement dated [●] between NSDL, our Company and Bigshare Services Private Limited
5. Copy of tripartite agreement dated 11th August, 2014 between CDSL, our Company and Bigshare Services Private Limited.
6. Escrow Agreement dated [●] between our Company, Lead Manager, Escrow Collection Bank and the Registrar to the issue.
7. Market Making Agreement dated [●] and Supplementary Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
8. Underwriting Agreement dated [●] and Supplementary Underwriting Agreement dated [●] between our Company and Underwriters.

DOCUMENTS FOR INSPECTION

9. Memorandum and Articles of Association of our Company as amended from time to time.
10. Copy of the resolution passed at the meeting of the Board of Directors held on September 01, 2014 approving the issue.
11. Copy of the resolution passed by the shareholders of our Company under section 62 (1) (c) at the Extra Ordinary General Meeting held on September 23, 2014.
12. Copy of Board's resolution dated September 11, 2014 appointing Ms. Mansi Aggi as the Managing Director of our Company for a period of three years w.e.f. September 11, 2014 and approving their remuneration and terms
13. Consents of the Directors, Company Secretary/Compliance Officer, Auditors, Lead Manager to the Issue, Bankers to the Company, Legal Advisors to the Issue, and Registrars to the Issue, to include their names in the Draft Prospectus to act in their respective capacities.
14. Copies of Annual Reports of our Company since incorporation i.e. for the financial years viz 1999-2000, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14.
15. Audit report and restated financial information issued by the Peer Review auditors i.e. M/s G.C. Agarwal & Associates, Chartered Accountants, dated August 12, 2014 included in the Draft Prospectus.
16. Letter dated September 22, 2014 from the Statutory Auditors of our Company, M/s Raj M. S Gupta & Co., Chartered Accountants, detailing the tax benefits.

17. Copy of certificate from the statutory Auditors of Our Company, Raj M. S Gupta & Co., Chartered Accountants, dated September 24, 2014 regarding the sources and deployment of funds as on September 24, 2014.
18. Board Resolution dated September 25, 2014 for approval of Draft Prospectus.
19. Due Diligence Certificate dated September 27, 2014 to be submitted to SEBI from Lead Manager viz.
20. Mefcom Capital Markets Limited along with the filing of the Prospectus.
21. Copy of approval from NSE vide letter dated [•] to use the name of NSE in this offer document for listing of Equity Shares on SME Platform of NSE.
22. Any of the contracts or documents mentioned in this 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

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 regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this 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 issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS

Mr. Harish Chander

Ms. Mansi Aggi

Mr. Chetan Vig

Mr. Vivek Malik

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kuldeep Dahiya

Date: September 25, 2014

Place: New Delhi