Draft Prospectus
Dated: March 28, 2014
Please read section 32 of Companies Act, 2013
(To be updated upon ROC filing)
100% Fixed Price Issue

STARLIT POWER SYSTEMS LIMITED

Our Company was incorporated as Starlit E Recyclers Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 04, 2008, in Delhi. Subsequently, Our Company was converted into a public limited company vide fresh certificate of incorporation dated January 25, 2012. Further, the name of our Company was changed to "Starlit Power Systems Limited" vide fresh certificate of incorporation dated February 13, 2012, in Delhi. The Corporate Identification Number of Our Company is U37200DL2008PLC174911. For details of change in registered office of our Company please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 110 of this Draft Prospectus.

Registered Office: A – 1/20, LGF, Safdarjung Enclave, New Delhi – 110029, India
Tel No: (011) 26102570/46027970/46037870; **Fax No:** (011) 26102670; **E-mail:** info@starlitlead.com; **Website:** www.starlitlead.com
Contact Person: Mr. Bala Ji, Company Secretary and Compliance Officer.
Promoters of our Company: Mr. Sachin Shridhar and Starlit Finance Limited

THE ISSUE

PUBLIC ISSUE OF 16,40,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID OF STARLIT POWER SYSTEMS LIMITED ("SPSL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 18/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF Rs. 8/- PER EQUITY SHARE AGGREGATING Rs. 295.20 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 88,000 EQUITY SHARES OF Rs. 10/- FULLY PAID EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 15,52,000 EQUITY SHARES OF Rs. 10/- EACH FULLY PAID IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.82 % AND 25.38 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS Rs. 10/- EACH. THE ISSUE PRICE IS Rs. 18/-. THE ISSUE PRICE IS 1.80 TIMES THE FACE VALUE.

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

For further details please refer to "Section VII - Issue Information" beginning on Page 205 of this Draft Prospectus.

All potential investors may participate in the Issue through 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 211 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.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- and the Issue Price is 1.80 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 74 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 and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment 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 Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled "Risk Factors" on page 19 of this Draft Prospectus.**

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SARTHI CAPITAL ADVISORS PRIVATE LIMITED Anthem House E-360, First Floor, Nirman Vihar New Delhi- 110092 **Tel:** (011) 22449817/18 **Fax:** (011) 22439816 **Investor Grievance Email**: starlitipo@sarthiwm.in **Website**: www.sarthi.in **Contact Person**: Mr. Anand Lakhotia Mr. Abhishek Jain **SEBI Registration. No**.: INM000012011	**BIGSHARE SERVICES PRIVATE LIMITED** E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai- 400072 **Tel:** (022) 40430200 **Fax:** (022) 28475207 **Email:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Ashok Shetty **SEBI Regn. Number:** INR000001385

ISSUE PROGRAMME	
ISSUE OPENS ON : [●]	**ISSUE CLOSES ON : [●]**

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The articles of association of our Company, as amended from time to time
Auditor or Statutory Auditor	The auditor of our Company, being DM & Company, Chartered Accountants having their office at 301/18, 2nd Floor, Krishna Mansion, Civil Lines, Gurgaon- 122001
Bankers to our Company	Punjab National Bank
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	Mr. Bala Ji Srivastava
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each
Equity Shareholders	Persons holding equity shares of our Company
Group Companies	Includes those companies, firms and ventures promoted by our Promoter, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act and disclosed in the chapter titled "Our Group Entities" beginning on page 130 of this draft prospectus
Memorandum of Association or Memorandum or MOA	The memorandum of association of our Company, as amended from time to time
"Promoters" or "our Promoters"	Promoters of our company being Mr. Sachin Shridhar and Starlit Finance Limited
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "Our Promoters and Promoter Group" beginning on page 125 of this draft prospectus
Registered Office	The Registered Office of our Company located at A – 1/20, LGF, Safdarjung Enclave, New Delhi – 110029, India
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana

"Starlit Power Systems Limited", or "SPSL", or "the Company", or "our Company" or "we", "us", or "our" and the "Issuer Company"	Starlit Power Systems Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

Issue Related Terms

Term	Description
Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely **[●]**
ASBA Investor/ASBA applicant	Any prospective investor(s) /applicants(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Limited and Punjab National Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 211 of this draft prospectus
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of Bombay Stock Exchange Limited (BSE)
Draft Prospectus	The Draft Prospectus issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favor the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 16,40,000 Equity Shares of face value of Rs. 10 each fully paid of Starlit Power Systems Limited for cash at a price of Rs. 18 per Equity Share (including a premium of Rs. 8 per Equity Share) aggregating Rs. 295.20 Lakhs
Issue Agreement	The agreement dated January 09, 2014 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 18 per Equity Share of face value of Rs.10 each fully paid

Term	Description
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 295.20 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE
Lead Manager / LM	Lead Manager to the Issue in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker
Market Making Agreement	Market Making Agreement dated March 12, 2014 between our Company, LM and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who 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 any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 88,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 18 per Equity Share aggregating Rs. 15.84 Lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 15,52,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 18 Equity Share aggregating Rs. 279.36 Lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 70 of this Draft Prospectus
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable

Term	Description
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, filed with RoC containing, *interalia,* the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and Punjab National Bank by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, 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
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refund through ECS, Direct Credit, RTGS or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai - 400072
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their *Karta*) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker.	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of

Term	Description
	making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html, or at such other website as may be prescribed by SEBI from time to time
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Underwriters	Sarthi Capital Advisors Private Limited
Underwriting Agreement	The agreement dated March 12, 2014 to be entered into between the Underwriters and our Company
Working Day	Unless the context otherwise requires: (i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Delhi and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical and Industry Terms

Term	Description
Ah	Ampere Hours
Automotive batteries	Batteries used in motor vehicles
CII	Confederation of Indian Industries
HRD	Human Resource Development
LMLA Batteries	Low Maintenance Lead Acid Batteries
OEM	Original Equipment Manufacturer
Primary Batteries	Non Rechargeable Batteries
PPM	Parts per million
Secondary Batteries	Rechargeable Batteries
SMF	Sealed Maintenance Free
TQM	Total Quality Management
UPS	Uninterrupted Power Supply
VRLA	Valve Regulated Lead Acid

Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
B.Com	Bachelors Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 as amended from time to time, including sections of Companies Act, 2013 wherever notified by the Central Government
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services

EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR N	General Index Registry number.
GOI	Government of India.
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India

IFRS	International financial reporting standards.
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 113 of this Draft Prospectus.
LOA	Letter of Acceptance
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding
MNC	Multinational corporation
Mtr	Meters
N/A or NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value

NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited.
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to

	time.
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the following: -

(i) In the section titled *'Main Provisions of the Articles of Association'* beginning on page 229 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;

(ii) In the section titled *'Financial Statements'* beginning on page 145 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section; and

(iii) In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 75 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 145 this Draft Prospectus. 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 (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 month period ended 31st March of that year. 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, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the 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 / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 145 of this Draft Prospectus.

CURRENCY OF PRESENTATION

In this Draft Prospectus, references to "Rupees" or "Rs." or "INR"are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten millions' and 'billion / bn./ Billions' means 'one hundred crores'.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus have been obtained from Indian Bureau of Mines, International Lead Association etc**.** Industry publications generally state that 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.

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

FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations 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, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Lead refining / Battery Industry;
- Factors affecting Lead refining/ Battery Industry
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, 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;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 19 and 177 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.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 97, "Our Industry" beginning on page 84 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 177 respectively, of this Draft Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- *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 have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviations" beginning on page 3 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding

A. INTERNAL RISK FACTORS

A. Business Risks/ Company specific Risk

1. Our Company, its Promoter(s) and Group Entities are involved in certain legal proceeding(s) and potential litigation. Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.

Our Company, its Promoter(s) and Group Entities are involved in certain legal proceedings and claims in relation to certain civil and criminal matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are given in the following table:

Cases Filed By the Company

1. A civil suit was preferred by Starlit Power Systems Limited filed on 19.02.2013 against Marathon Batteries Pvt Ltd. at the District Courts Mewat Haryana for the recovery of an amount of Rs 18.66 lacs due by the respondent company towards Starlit. The matter was thereafter mutually settled between the parties and post dated cheques for the said amount have been issued by Marathon Batteries Pvt Ltd against admitted liability towards Starlit Power Systems Ltd.

Cases Pending with Income Tax Authorities against our Company

Sr. No.	Description	Assessment Year	Amount	Pending with
1.	Income Tax Demand U/s 143(1)(a) dated 20/06/2013	2012-13	Rs. 43680/-	Income Tax Department
2.	Scrutiny Notice U/s 15, 16 & 17 of Haryana VAT Act, 2003 and U/s 9(2) of the Central Sale Tax Act, 1956	2011-12	-	Haryana VAT and Central Sales Tax Department
3.	Intimation of conducting Central Excise Audit under Excise Audit 2000	2011-12 to 2013-14	-	Central Excise, Delhi-III

Cases filed against our Promoters

One of our Promoter Mr. Sachin Shridhar was an Independent director in RDB Rasayans Limited, However, he has resigned from the directorship as on May 27, 2013. SEBI issued an Ex- parte ad interim order dated December 28, 2011 against RDB Rasayans Limited, its Directors, Company Secretary, Merchant Banker and some brokers alleging "Non Disclosure" in Prospectus and "Mis Utilization" of IPO proceeds and banning them to participate in Capital Market activities. It also directed the Company to call back and obtain repayment of demand loans from its associates and deposit it in an Escrow Account. Though the Company decided to comply with SEBI directions but being aggrieved by the Ex-parte order Company and its Managing Director filed a writ petition No. 1971 (W) of 2012 in Calcutta High Court challenging the validity of the Ex-parte Order. On February 08, 2012 writ application was heard and Hon'ble Court issued the following order:

a) Admitted the Writ Petition
b) Allowed SEBI to continue investigation but refrain them to pass any further order
c) Granted liberty to the Company to file an application seeking approval to invest in project out of the IPO proceeds

Further, SEBI vide its order dated October 08, 2012 revoked the directions issued against all Independent Directors and Company Secretary vide its ad-interim ex-parte order dated December 28, 2011. However it is made clear that this order is without prejudice to the enforcement action that SEBI may deem necessary against the parties to the order, after completion of the ongoing investigation.

Cases Pending with Income Tax Authorities against our Promoters

Sr. No.	Name of Promoter	Description	Assessment Year	Amount	Pending with
1.	Sachin Shridhar	Demand U/s 143(1)(a) dated 20/03/2013	2011-12	Rs.6770/-	Income Tax Department
2.	Starlit Finance Limited	Demand U/s	2012-13	Rs. 311640/-	Income Tax

		143(1)(a)			Department

Cases Pending with Income Tax Authorities against our Directors

Sr. No.	Whole Time Director	Description	Assessment Year	Amount	Pending with
1.	Kamaljeet Singh Jaswal	U/s 143(1)	2008-09	Rs.9545/-	Income Tax Department
2.	Surinder Pal	U/s 143(1)(a)	2010-11	Rs.95820/-	Income Tax Department

Cases Pending with Income Tax Authorities against our Group Entities

Sr. No.	Name of Group Entity	Description	Assessment Year	Amount	Pending with
1.	Starlit Infrastructure Limited	U/s 143(1)(a)	2009-10	Rs. 210250/-	Income Tax Department
2.	Starlit Infrastructure Limited	U/s 143(1)(a)	2010-11	Rs. 108850/-	Income Tax Department
3.	Starlit Realty & Infratech Private Limited	U/s 115WE(1)	2007-08	Rs. 3385/-	Income Tax Department
4.	Starlit Realty & Infratech Private Limited	U/s 143(1)(a)	2009-10	Rs. 4120/-	Income Tax Department

2. ***Our top five clients contribute approximately 85% of our revenues for the period ending September 30, 2013. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

   Our top five clients contribute approximately 85% of our revenues for the period ended September 30, 2013. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

3. ***Our Company has a negative cash flow in the past 5 years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

   Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in some of the previous year(s) as per the Audited Financial Statements and the same are summarized as under:

(Rs. in lakhs)

Particulars	For The Year Ended March 31,					For the Half year ended September 30, 2013
	2009	2010	2011	2012	2013	
Cash Flow from / (used in) Operating Activities	(2.52)	0.90	(168.51)	(188.96)	125.06	(16.55)
Cash Flow from / (used in) Investing Activities	(41.19)	(27.88)	(138.61)	(48.89)	(324.89)	(411.66)
Cash Flow from / (used in) Financing Activities	44.11	27.92	308.00	237.54	199.94	432.60

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

4. ***Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables. Summary of our working capital position is given below:-

(Rs. In Lakhs)

Particulars	As on September 30, 2013	As on 31st		
		March 2013	March 2012	March 2011
Net Working Capital (Excl Short Term Borrowings)	459.57	401.11	477.03	189.56
Total Current Assets	1,354.30	582.14	509.88	202.37
Trade receivables	880.97	338.42	271.19	105.95
Trade receivables as % of Total Current Assets	65.05	58.13	53.19	52.35

The lead manufacturing process is working capital intensive and involves a lot of investment in trade receivables. We intend to continue growing by reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

5. ***Delays or defaults in client payments could result in a reduction of our profits.***

We may be subject to working capital shortages due to delays or defaults in payment by clients. If clients default in their payments to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

6. ***We do not own our Registered Office from which we operate and the same is on rental basis from wife of our Promoter Mr. Sachin Shridhar.***

   Our registered office which is situated at A-1/20, Safdarjung Enclave, New Delhi-110029 is not owned by us. Mrs. Purabi Shridhar, vide Rent Agreement dated October 10, 2013 has provided the said office premises to be used as registered office of our Company for a period of two years, on a monthly rental of Rs. 10,000 (Rupees Ten Thousand only) plus Service Tax. We cannot assure you that we will own, or have the right to occupy, this premises in future, or that we will be able to continue with the uninterrupted use of this premise, which may impair our operations and adversely affect our financial condition. For details on properties taken on lease/rent by us please refer to the heading titled "Property" in chapter titled "Our Business" beginning on page 97 of this Draft Prospectus.

7. ***Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.***

   Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 189 of this Draft Prospectus.

8. ***Our logo*** ***is in the process of getting registered. If we fail to obtain trademark registration our brand building efforts may be hampered which might lead to an adverse affect on our business.***

   One of our Promoter namely Sachin Shridhar, has made an application for registration of our Logo/trademark on November 08, 2013 under the Trademarks Act, 1999 and is in the process of getting the same registered. Our company has been licensed by Mr. Sachin Shridhar to use the name and logo in connection with the business of the Company for a period of 5 years vide letter dated December 01, 2013. In case registration of trademark is not granted by the trademark authorities we may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks. This could have a material adverse effect on our business, which in turn could adversely affect our results of operations.

9. ***Mishaps or accidents could result in a loss or slowdown in operations and could also cause damage to life and property.***

   The products offered by our Company are subject to operating risks, including but not limited to, breakdown or accidents & mishaps. While, till date, there have not been any notable incidents involving mishaps or major accidents, we cannot assure that these may not occur in the future. Any consequential losses arising due to such events will affect our operations and financial condition.

10. ***We are subject to risks arising from exchange rate fluctuations.***

    The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect the Company to the extent of cost of service rendered in foreign currency terms. Any adverse fluctuations with respect to the exchange rate of any foreign

currency for Indian Rupees may affect the Company's profitability, since some of our raw material are imported and the payment is to be made in foreign currency.

11. ***Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. For further details, please refer to the chapters titled " Our Business", "Our Promoters and Promoter Group" and "Related Party Transactions" beginning on page 97, 125 and 143, respectively of this Draft Prospectus.

12. ***Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 70 of this Draft Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire fresh Issue Proceeds towards working capital needs, to meet the issue expenses and General Corporate Purpose. We intend to deploy the Net Issue Proceeds in financial year 2014-15 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Issue Proceeds, please refer to chapter titled "Objects of the Issue" beginning on page 70 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 70 of this Draft Prospectus, the management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the utilization of the proceeds of this Issue.

13. ***Our inability to effectively implement our growth strategies or manage our growth could have a material adverse effect on our business, results of operations and financial condition.***

Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the budgeted cost and timelines. Any inability on our part to manage our growth or implement our strategy effectively could have a material adverse effect on our business, results of operations and financial condition. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands.

14. ***Some of our Group Entities have incurred losses in financial year ended 2012-13, 2011-12 and 2010-11.***

Some of our Group Entities have incurred losses in the financial year 2012-13, 2011-12 and 2010-11. For further details regarding the performance of our Group Entities, please refer to Chapter titled "Our Group Entities" beginning on page 130 of this Draft Prospectus. Sustained financial losses by our Group Entities may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations

15. ***Insurance cover available for certain risks as is customary in our business may be inadequate and may not protect us from entire liability for damages in case of any unforeseen adverse event.***

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions and/or insurance, the indemnities set forth in our contracts and/or our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. A successful assertion of one or more large claims against us could adversely affect the results of our operations.

16. ***Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

17. ***Our success depends largely upon the services of our Promoters and other Key Managerial Personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company and our Promoters have over the years built relations with suppliers, clients and other persons who are connected with our business. Further, our Key Managerial Personal also possesses the requisite domain knowledge to provide efficient services to our clients. Accordingly, our Company's performance is dependent upon the services of our Promoters and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. It is possible that we may lose our skilled and trained staff to our competitors and high attrition rates in particular, could result in a loss of domain and process knowledge. Demand for key managerial personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

18. ***We may not be able to sustain effective implementation of our business and growth strategy.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Whilst we have generally been successful in execution of our business strategy in the past, there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

19. ***Due to the absence of any written agreements with our vendors/suppliers, we are exposed to risks due to supply obligations not clearly specified in writing.***

We do not have written agreements with our vendors/suppliers and operate on a purchase order system. Due to the absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all and delayed supplies which would materially affect our results of operations.

20. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and

proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

21. ***Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

22. ***Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

Till date our Company has not paid any dividend. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

23. ***Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline***

The economic environment, pricing pressure and decreased employee utilization rates could negatively impact our revenues and operating results. In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability.

II. ***Risk related to this Issue and our Equity Shares***

24. ***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.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, 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 circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do 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 limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may 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.

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

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

a. Volatility in the Indian and global capital market;

b. Company's results of operations and financial performance;

c. Performance of Company's competitors,

d. Adverse media reports on Company or pertaining to the Lead refining / Battery Industry ;

e. Changes in our estimates of performance or recommendations by financial analysts;

f. Significant developments in India's economic and fiscal policies;

g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

26. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares has been determined by fixed price method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 74 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

27. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with Section 40 of the Companies Act, 2013 in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

B. EXTERNAL RISK FACTORS

28. We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of - implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially

different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

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

    Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

30. ***Financial instability in Indian financial markets could adversely affect our company's results of operations and financial condition.***

    In this globalised world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

31. ***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

    Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

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

33. ***Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the Mumbai terrorist attacks and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

34. ***Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations***.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

35. ***Demand for our products may decrease during an economic recession which may adversely affect our profitability and financial condition.***

The Battery industry historically has experienced cyclical fluctuations in financial results due to economic recession, downturns in business cycles of our customers, fuel shortages, interest rate fluctuations, and other economic factors beyond our control.

36. ***Our Company's Equity Shares are proposed to be listed and traded on BSE SME Platform, which is of recent origin and may take time to establish***

BSE SME Platform was launched by BSE on 13th March, 2012. Such an SME platform is of recent origin and may take time to establish in markets. Since its launch till the date of this Draft Prospectus, 54 (Fifty Four) companies have been listed on BSE SME Platform and another 5 (Five) companies listed on NSE SME Platform – Emerge. Investors may still not have strong confidence for initial subscription and / or secondary market trading in SME scrip. Moreover, it is proposed to list the Equity Shares of our Company only on BSE SME Platform. Investment in this Issue, thus, could be riskier.

37. ***Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

38. ***Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, and floods in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

39. ***You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a

stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax ("STT") is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

PROMINENT NOTES:

a) The Public Issue of 16,40,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 18/- per Equity Share (including a premium of Rs. 8 per Equity Share) aggregating Rs. 295.20 Lakhs ("the Issue"). Issue of Equity Shares will constitute 26.82% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 46 of this Draft Prospectus.

b) The net worth of our Company was Rs. 381.81 Lakhs, Rs. 264.62 Lakhs and Rs. 229.01 Lakhs as of March 31, 2013, March 31, 2012 and March 31, 2011 respectively. The book value of each Equity Share was Rs. 12.16, Rs. 11.66 and Rs. 10.41 as of March 31, 2013, March 31, 2012 and March 31, 2011 respectively as per the audited financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 145 of this Draft Prospectus.

c) The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Sachin Shridhar	6,80,042	10.15
Starlit Finance Limited	7,45,733	10.00

d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "*Related Party Transactions*" beginning on page 143 of this Draft Prospectus.

e) Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" beginning on pages 55, 125 and 113 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.

f) Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 55 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.

g) Investors may contact the LM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Compliance Officer, please refer to the chapter titled "*General Information*" beginning on page 47 of this Draft Prospectus.

h) Investors are advised to refer to chapter titled "*Basis for Issue Price*" on page 74 of this Draft Prospectus.

i) Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.

j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus.

k) Except as stated in the chapter titled "*Our Group Entities*" beginning on page 130 and chapter titled "Related Party Transactions" beginning on page 143 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.

l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 209 of this Draft Prospectus

m) The name of our Company was changed to "Starlit Power Systems Limited" pursuant to which a fresh certificate of incorporation dated February 13, 2012 issued by the Registrar of Companies, National Capital

Territory of Delhi and Haryana, consequent upon change of name. However, the new name does not suggest any change of activity and company continues to carry on the same activity. For further details of changes in the name of our Company, please refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 110 of this Draft Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

History & Occurrence

Humans have used lead for at least 7,000 years mainly because deposits containing lead are widespread and it is easy to extract and work with. Lead was mentioned in the book of Exodus. Alchemists thought that lead was the oldest metal and associated it with the planet Saturn. Lead pipes bearing the insignia of Roman emperors are symbol in service today in some countries. Lead's symbol Pb is an abbreviation of its Latin name plumbum.

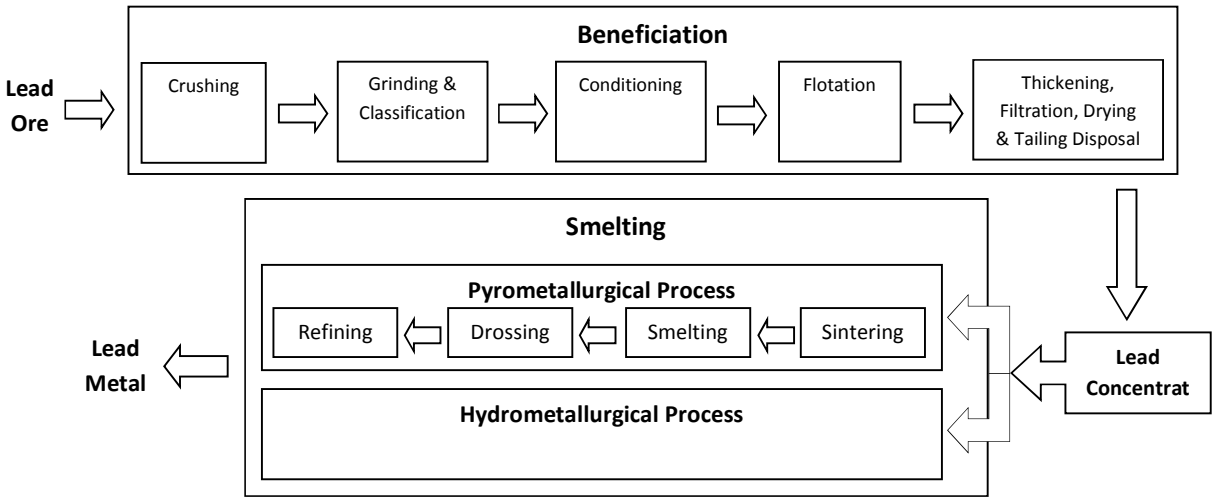
Worldwide, the lead and zinc deposits invariably occur together. Very few deposits contain either lead or zinc as single metal. The main lead mineral is galena (PbS). Other common varieties include cerussite ($PbCO_3$) and angelsite ($PbSO_4$).
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines; http://www.ilzsg.org/static/backgroundinfo.aspx?from=7)

Properties of Lead

Lead is a bright luster, dense, ductile, very soft and highly malleable bluish-white metal which can be toughened by adding a small amount of antimony or other metals to it. As a heavy, malleable metal, lead is one of the most resistant to common corrosion problems. It is a naturally occurring element and is usually associated with other minerals, notably zinc, silver and copper. Trace amounts of other elements, including gold, are sometimes found with lead ore. The ore is mined, concentrated and then smelted in a blast furnace with limestone and coke. It is refined to remove and recover other metals.

Lead has some important properties, in particular malleability (i.e. it can be hammered into shape), ease of production, ease of melting and joining, and good corrosion resistance. As a result, it has been used for purposes such as roofing, windows, piping, kitchen/tableware and ornamental uses for many centuries. The electrochemical properties of lead enable it to be used in storage batteries in all motor vehicles, and for some back-up power supplies.
(Source: Lead Industry in India - Metalworld)

Process



Beneficiation

Beneficiation of lead and zinc ore is a very complex process as it involves separation of lead concentrates and zinc concentrates which have to be effectively treated in different smelters to win both the metals separately.

The process of beneficiation of lead ore to produce concentrates involves following processes:

1. **Crushing**

   Run-of-mine ore (ROM) is crushed in 3 stages namely, primary, secondary, and tertiary. Primary crushing is done by jaw crusher or gyratory crusher. Cone crushers are used in secondary crushing. Sometimes reduced gyratory crushers are also used. Tertiary crushing is done by short head cone crusher.

2. **Grinding & Classification**

   The grinding of ore is to be done precisely because overgrinding of ore will result the galena ore into slimy particles. The slimy galena ore particles may result into low recovery of lead metal. Grinding of crushed ore is achieved by ball mills in closed circuit with spiral classifiers or cyclones. Some of the flotation reagents are added at the time of grinding. The final product of grinding and classification is in the form of slurry of finely ground material.

3. **Conditioning**

   This is the process adopted to separate the lead ore from the complex ore. The finely ground ore in the form of slurry contains sulphide minerals like sphalerite, galena, pyrite and pyrrhotite. Iron oxides, silica, dolomite, carbonaceous material and graphitic material are also present as gangue minerals. The precious metals like gold, silver etc. are also present. Proper conditioning of the material is required to separate these constituents by selective flotation. To achieve this, the reagents like selective depressants, activators, collectors and frothers are used.

4. **Flotation**

   Flotation is carried out in flotation chambers which have impellers and arrangement to supply air bubbles. In lead flotation chambers, rougher lead floatation and cleaner lead flotation are carried out. The chemical reagents used are modifiers, dispersants, activators, collectors and frothers.

5. **Thickening, Filtration, Drying & Tailing Disposal**

   The concentrates of lead thus separated are thickened in thickeners and filtered in filters. Both these processes reduce the water content of the concentrate and recover the water for re-use. The tailings are subjected to cycloning to recover solids in a cyclone. The over-flow of cyclone is sent to thickeners and the tailings from the cyclone are sent to tailing dam. The tailing water can be reused after some necessary treatment before sending to tailing dam.
   (Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Smelting

Smelting is a process by which lead concentrate is treated to produce lead metal. There are two types of smelting processes: (1) Pyrometallurgical process and (2) Hydrometallurgical process. The process adopted depends upon the type of ore used as a charge.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Pyrometallurgical Process:

The conventional Pyrometallurgical process for production of primary lead is carried out in 4 steps:

1. **Sintering**

The main feed for sintering process is the lead concentrates. Other materials such as iron, silica, limestone flux, coke, etc. are added to the sintering machine. The sinters are made out of the mixture of lead concentrate along with flux and other required material.

2. **Smelting**

The sinters are then fed to a blast furnace with a blast of hot air or oxygen. The lead metal thus produced is in molten stage. The molten lead being heavy, settles at the bottom of the furnace. The other layers are speiss, which contains the lightest material like arsenic and antimony. The 'matte' contains copper sulphide and other metal sulphides and blast furnace slag which comprise silicates. The heaviest layer which contains 98% lead by weight is known as lead bullion.

3. **Drossing**

The rough lead bullion obtained from blast furnace requires preliminary treatment before refining. This treatment is known as drossing. During drossing, the molten lead bullion is agitated in a drossing kettle and cooled to a temperature just above its freezing point (at 370^{o}C to 425^{o}C). The dross floats at top which is composed of lead oxide along with copper, antimony and other elements. The dross solidifies above the molten lead, which is removed and fed to a dross furnace for recovery of other metals.

4. **Refining**

The lead bullion is subjected to Pyrometallurgical process to remove non-lead materials such as gold, silver, bismuth, zinc and oxides of metal such as antimony, arsenic, tin and copper. The refining is done in cast iron kettles in four stages.

- In the first stage, antimony, tin and arsenic are removed. For this, the molten lead is churned with oxidising agent such as molten sodium hydroxide or sodium nitrate for few hours.
- In the next stage, gold and silver are removed from molten lead with the help of zinc. The molten lead is heated with zinc. The precious metals i.e. gold and silver form an alloy with zinc which is then allowed to solidify which floats at the top and can be removed.
- The only impurity that may be left now is bismuth. Bismuth can be removed by electrolytic process. Alternatively, bismuth can be removed by production of stoechiometeric $CaMg_2Bi_2$ compound by adding calcium and magnesium as an alloy or individual metals, crystals and removed by skimming. The purity of the refined lead obtained by this process is 99.90% to 99.99%.

The Pyrometallurgical process has a major advantage that it incurs low cost as electricity consumption is less. But the fumes of lead and sulphur pose environmental problems. The level of purity of lead produced is low.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Hydrometallurgical Processes:

These processes are also known as electrolytic processes. The main principle behind these processes is that the anodes of impure lead (lead bullion) are dissolved in an electrolyte and pure lead is deposited on cathode. The most important and largely adopted process amongst these is 'Betts Process'. This process is adopted after smelting and copper is removed from the lead bullion followed by softening. In the Betts process, large cast anodes (about 1 sq m) of lead bullion from which copper is already removed are used. Thin starter sheets of high purity lead are used as cathodes on which newly refined lead particles are deposited. Fluosilicate acid is used as an electrolyte. When an electric current is passed through the electrolyte, the lead is deposited on cathode. Impurities in lead like bismuth, antimony, arsenic, gold and silver remain as anode slime which is treated separately to recover these metals.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

There are few advantages of the hydrometallurgical (electrolytic) process over the conventional Pyrometallurgical process. Firstly, the lead obtained by the electrolytic process has higher degree of purity. Secondly, any bismuth if present is effectively removed. As high temperature is not required, dust fumes are also not evolved.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Products of Lead

1. Lead Compounds

Many compounds of lead are strongly colored and highly durable. These properties of lead compounds make them useful in paint and pigments. White lead or basic lead carbonate is an intimate mixture of lead carbonate and lead hydroxide or lead oxide. It is very durable and has good external weathering properties and hence used in paints and pigments.

The oxides of lead are mainly used as additives in glass and PVC. Red lead was historically used in paints and anticorrosive pigment in antirust primers used for protection of steelworks.

Another important lead compound is basic lead silicate which is used in cathodic electro position primers for motor vehicles. Lead compounds are also used as stabilizers in PVC. All thermoplastics (plastics which soften on heating) require small amount of additives which are known as stabilizers to prevent degradation of the material.

Lead oxide is added to glasses and glazes. The main advantage of addition of lead oxide is reduction in melting point. Addition of lead compounds to silica based glass can reduce the softening temperature considerably. Moreover, leaded glass gives more attractive and sparkling appearance. This is useful in optical glass used in binoculars, microscopes and spectacles. Leaded glass has a much higher X-ray absorption coefficient and hence is useful in radiation shielding TV tubes, etc. Leaded glass is also used in electrical and electronic devices for its relatively low specific electrical conductivity and dielectric losses. Use of lead compounds in glazing has a considerably long history. It is used in glaze formulations such as ceramics, tableware, floor tiles, porcelain and sanitary wares such as toilets, wash basins, etc. The use of lead compounds in ceramics is due to the properties such as low melting temperature, good compatibility with substratum material and good electrical properties.

Lead compounds have relatively lower cost. Some lead containing ceramics such as lead zirconate, lead titanate, etc. have piezo-electric properties. They find application in spark generators, sensors, electrical filters, etc.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

2. Lead Alloys

Lead alloys find use for many purposes such as soldering, in bearings, in some bronzes (to reduce the melting point), pewter (which is used for ornaments and tablewares). The lead alloys are used to reduce the melting point and to increase the machineability of the alloy. Tin-lead alloy is used for soldering because of its low melting point and good flow characteristics. The bearings are used to provide low friction between the moving parts of the machine. Bearings made of lead based alloys have an advantage of good lubrication and also low cost. Lead is also used in some bronzes to lower the melting point and increase the machineability. Some modern copper, aluminium and steel alloys use small additions of lead to improve machineability.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

SUMMARY OF OUR BUSINESS

Overview:

Starlit Power Systems Limited is a group company of the diversified Starlit Group. Our company was incorporated in the year 2008 with its focus Lead and based products. Our Company is engaged in Smelting of Battery & Lead Scrap, manufacture, supply and export of pure lead, different Lead Alloys like Calcium Aluminum alloy Antimonial Alloy and Selenium Alloy, Lead Oxides like Lead Sub Oxide and Red Lead. We have the smelting capacity of 15000 MT per annum and refining/alloying capacity of over 12000 MT per annum with technical capacity to convert assorted heterogeneous lead scrap into pure lead of upto 99.98 % purity. Committing to quality & environment protection, our company works on streamlined processes and principles. The Company uses producer gas as a fuel for all smelting and refining operations. The producer gas is generated captive biomass gassifier plant thereby considerably reducing dependence on Hydro-carbons like furnace oil and diesel. The biomass gassifier technology is Developed by TERI and approved by Ministry of New & Renewable Energy, Government of India. Our plant has been selected as successful demonstration manufacturing plant by United Nations Environment Program (UNEP), Japan for efficient energy operation. The company is an ISO 9001:2008 & ISO 14001:2004 certified company and all the systems & procedures are documented as per certification requirements. Stringent quality measures & processes are implemented at each stage right from the procurement of raw material till the final dispatch of finished products.

About Us:

Starlit Group comprises of closely held companies, each with its own unique resource base and skill set. These boutique entities have built unique synergies with one another enabling superior execution of the projects in the fields of infrastructure development & advisory. The group is managed by a multi-disciplinary team of dedicated and experienced professionals.

Our products are supplied to most prominent battery and secondary power back-up Companies both in India and abroad. In these fields Starlit Lead Products are a recognized name amongst battery manufacturers in India and countries across the world.

Product Portfolio:

The annual production capacity of the plant located at Sohna is 15000 MT. Our Company also recycles old lead acid batteries, lead scrap in environmentally sound manner using highly advanced technology worldwide. The plant is equipped with modern machinery and state-of-the-art Pollution Control equipment. The plant has an in-house testing laboratory with Spectrometer of Spectrolab make (LAB M-10). The detailed product portfolio is:

1. Remelted Lead: The smelting process adopted produces soft & hard lead.

2. Refined Lead or Pure Lead (99.97%): The refining process adopted produces Refined Lead Ingots with a minimum purity level of 99.975 % by weight but achieves purity level of 99.98% in most cases.

3. Lead Sub-Oxide or Grey Oxide: Lead Sub-Oxide/Grey Oxide is manufactured through Ball Mill Process using refined lead with minimum 99.97 % purity.

4. Red Lead Oxide: Red Lead Oxide is manufactured from Lead Sub-Oxide/Grey Oxide which is manufactured from above process refined lead with minimum 99.97 % purity.

5. Lead Alloys: Lead - Calcium Alloy, Antimony Alloy, Antimony-Selenium Alloy

All products are produced adhering to the highest norms of safety. SPSL has the wherewithal to produce customized Lead Alloys as may be required for specialized applications.

Products Broad Specifications:

REFINED LEAD

We manufacture and supply wide array of Refined Lead. This product is manufactured by Pyro-metallurgical process, using premium quality lead ingots in conformity of all the leading quality standards and norms.The offered product is highly acclaimed due to its optimum quality, high purity level of 99.97% and longer service life without any hassles. Further, this product is offered in various specifications and our clients can avail this as per their specific requirements, at industry leading prices.

Elements	Composition in %
Antimony (Sb)	0.001(Max)
Arsenic (As)	0.001 (Max)
Tin (Sn)	0.001 (Max)
Copper (Cu)	0.001 (Max)
Bismuth (Bi)	0.020 (Max)
Iron (Fe)	0.001 (Max)
Nickel (Ni)	0.001 (Max)
Silver (Ag)	0.005 (Max)
Zinc (Zn)	0.001 (Max)
Calcium (Ca)	0.0005 (Max)
Sulphur (S)	0.0005 (Max)
Aluminum (Al)	0.0005 (Max)
Lead (Pb)	99.970 (Min)

LEAD ALLOY

We manufacture wide range of Lead Alloys. The pure lead ingot produced by us has a minimum purity level of 99.97%, which can be maximized up to perfection level.The Lead Ingot offered by us are extensively used for manufacturing lead storage batteries and chemicals. Basically, lead is a heavy, malleable, bluish grey metal that is resistant to common corrosion problems. Clients can avail these lead ingots from us at highly competitive rates. Lead Alloy manufactured by us includes Calcium Lead Alloy, Calcium Tin Alloy, Antimonial Lead Alloy, Selenium Lead Alloy.

Lead -Calcium Alloy

Elements	Specifications (%)
Calcium (Ca)	0.100 - 0.120%
Aluminum (Al)	0.300+/-0.050%
Tin (Sn)	0.600+/-0.050%

(Application: for making SMF, VRLA & Hybrid batteries)

Lead- 2.5% Selenium Alloy

Elements	Specifications (%)
Antimony (Sb)	2.50% - 2.75%
Selenium (Se)	0.02% - 0.025%
Arsenic (As)	0.14% - 0.17%
Tin (Sn)	0.18% - 0.22%
Sulphur (S)	0.004% - 0.006%
Copper (Cu)	0.02% - 0.04%

(Application: For making low maintenance & Hybrid batteries)

Lead- 4.0% Antimony Alloy

Elements	Specifications (%)
Antimony (Sb)	4.00%+/-0.250%
Arsenic (As)	0.150%+/-0.025%
Tin (Sn)	0.250%+/-0.050%
Sulphur (S)	0.003% - 0.008%
Copper (Cu)	0.040 – 0.060%

(Application: For making automotive /Tubular batteries)

LEAD SUB-OXIDE

With rich industry experience, we are manufacturing and supplying wide array of Lead Oxide.We are a leading producer of Lead Sub-Oxide, also known as Grey Oxide or Battery Oxide. Lead Oxides is the main raw material for manufacturing battery plates which is the main ingredient in lead acid Batteries and it requires production to strict specifications in which Lead is converted to Lead Sub Oxide in an exothermic process, under conditions of regulated temperature range of 135-145°centigrade and constant airflow. It is used extensively to prepare plates that are used in Lead Acid Batteries. Grey Oxide manufacturing plant uses the Ball Mill processes for operations and refined Lead as an input.

Broad Parameter	Composition in %
Lead Monoxide, PbO(%)	67-72
Free Lead, Pb (%Max)	28-33
Color	Greenish Grey
Apparent Density (AD)	1.4 - 1.6
Retention on 240 Mesh (max %)	9.0 – 11.0
Retention on 325 mesh (max%)	2.0
Acid Absorption (mg/gm)	180-200

SUMMARY FINANCIAL STATEMENTS

ANNEXURE – I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March					As at 30th September 2013
			2009	2010	2011	2012	2013	
A.	**Equity and Liabilities**							
1.	**Shareholders' Funds**							
	Share Capital	**2.1**	31.26	31.26	219.88	226.88	313.84	313.84
	Reserves & Surplus	**2.2**	10.72	11.81	9.12	37.74	67.97	78.81
	Share application money pending allotment		-	28.00	-	8.50	-	106.00
2.	**Non-Current Liabilities**							
	Long-term borrowings	**2.3**	-	-	38.04	103.02	408.64	393.58
	Deferred Tax Liabilities (Net)	**2.27**	0.36	0.24	4.08	5.09	9.76	9.76
	Other Long Term Liabilities	**2.4**	-	-	-	-	-	-
	Long Term Provisions	**2.5**	-	-	-	-	-	-
3.	**Current Liabilities**							
	Short Term Borrowings	**2.6**	-	-	115.24	332.43	252.39	643.43
	Trade Payables	**2.7**	0.30	0.24	9.76	15.64	153.93	833.61
	Other Current Liabilities	**2.8**	0.00	0.02	2.92	6.39	16.51	61.87
	Short Term Provisions	**2.9**	-	-	0.13	10.82	10.60	4.85
	Total		**42.64**	**71.56**	**399.18**	**746.52**	**1,233.63**	**2,445.74**
B.	**Assets**							
4.	**Non-Current Assets**							
	Fixed Assets							
	Tangible Assets	**2.10**	41.19	69.06	196.52	222.05	519.88	913.07
	Intangible Assets							
	Capital Work In Progress							
	Non - Current Investments							
	Deferred Tax Assets (Net)							
	Long Term Loans and Advances	**2.11**	-	-	0.29	14.59	131.61	178.37
	Other Non Current Assets							

Sr. No.	Particulars	Note No.	As at 31st March					As at 30th September 2013
			2009	2010	2011	2012	2013	
5.	**Current Assets**							
	Inventories	**2.12**	-	-	72.69	162.67	225.38	356.60
	Trade Receivables	**2.13**	-	-	105.95	271.19	338.42	880.97
	Cash and Cash Equivalents	**2.14**	1.45	2.39	3.27	2.96	3.07	7.45
	Short-term loans and advances	**2.15**	-	0.12	20.46	73.06	15.27	109.28
	Other Current Assets		-	-	-	-	-	-
	Total		**42.64**	**71.56**	**399.18**	**746.52**	**1,233.63**	**2,445.74**

ANNEXURE – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. in Lakhs)

Sr. No	Particulars	Notes No.	For The Year Ended March 31,					For the Period Ended 30th September 2013
			2009	2010	2011	2012	2013	
A.	**Revenue:**							
	Revenue from Operations (gross)	**2.16**	-	2.73	148.04	2,140.52	3,428.15	3,590.05
	Less: Excise Duty		-	-	0.62	176.11	370.71	217.51
	Revenue from operations (net)		-	2.73	147.42	1,964.41	3,057.44	3,372.54
	Other income	**2.17**	-	0.01	0.94	0.37	0.75	10.83
	Total revenue		**-**	**2.74**	**148.35**	**1,964.78**	**3,058.18**	**3,383.37**
B.	**Expenses:**							
	Cost of material Consumed	**2.18**	-	-	167.13	1,728.07	2,775.24	3,259.56
	Purchase of stock-in-trade							
	Changes in inventories of Finished goods, work-in-progress	**2.19**	-	-	(58.85)	(18.36)	(34.45)	(78.05)
	Employee benefit expenses	**2.20**	-	-	9.27	28.72	28.87	14.17
	Finance costs	**2.21**	0.01	0.08	6.03	54.44	98.15	49.32
	Depreciation and amortization expense	**2.10**	-	0.01	11.15	23.36	27.06	17.50
	Other expenses	**2.22**	3.73	1.68	12.47	107.62	118.19	105.18
	Total Expenses		**3.75**	**1.76**	**147.20**	**1,923.85**	**3,013.06**	**3,367.68**
	Profit/(loss) before tax		**(3.75)**	**0.98**	**1.15**	**40.93**	**45.13**	**15.69**
	Tax expense :							
	Current tax		-	-	-	10.82	10.60	4.85
	MAT Credit		-	-	-	0.36	-	-
	Prior Period Taxes		-	-	-	0.12	(0.36)	-
	Deferred Tax		0.36	(0.12)	3.84	1.01	4.66	-
	Fringe Benefit Tax							
	Profit/(loss) For the year		**(4.11)**	**1.09**	**(2.68)**	**28.62**	**30.23**	**10.84**
	Earning per equity share:							

	(1) Basic		-	0.35	-	1.29	0.97	0.35
	(2) Diluted		-	0.35	-	1.29	0.49	0.35

ANNEXURE – III

STATEMENT OF CASH FLOW FROM RESTATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For The Year Ended March 31,					For The Period Ended 30th Sept 2013
	2009	2010	2011	2012	2013	
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**(3.75)**	**0.98**	**1.15**	**40.93**	**45.13**	**15.69**
Adjustments for:						
Depreciation	-	0.01	11.15	23.36	27.06	17.50
Interest Expense	0.01	0.08	6.03	60.17	103.55	49.38
Provision for Doubtful Debts						
Fixed Asset Written Off						
Interest Received	-	-	-	-	-	-
Loss/(Profit) on Sale of Fixed Assets						
Preliminary Expenses written off	1.57	-	-	-	-	-
Operating profit before working capital changes	**(2.16)**	**1.06**	**18.33**	**124.46**	**175.74**	**82.57**
Movements in working capital :						
(Increase)/ Decrease in Inventories	-	-	(72.69)	(89.98)	(62.71)	(131.22)
(Increase)/Decrease in Trade Receivables	-	-	(105.95)	(165.24)	(67.23)	(552.33)
(Increase)/Decrease in Other Receivables	-	(0.12)	(20.63)	(66.90)	(59.23)	(140.78)
Increase(Decrease) in Trade Payables and Other Liabilities	(0.36)	(0.04)	12.43	9.35	148.41	725.04
Cash generated from operations	**(2.52)**	**0.90**	**(168.51)**	**(188.32)**	**134.98**	**(16.71)**
Income tax Refund/ (paid) during the year	-	-	-	(0.64)	(9.92)	0.16
Net cash from operating activities (A)	**(2.52)**	**0.90**	**(168.51)**	**(188.96)**	**125.06**	**(16.55)**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed assets (including capital advances)	(41.19)	(27.88)	(145.85)	(51.14)	(327.06)	(411.87)
Purchase of Long Term Investment	-	-	-	-	-	-
Sale of Fixed Assets	-	-	7.24	2.25	2.17	0.21
Interest Received	-	-	-	-	-	-
Net cash from investing activities (B)	**(41.19)**	**(27.88)**	**(138.61)**	**(48.89)**	**(324.89)**	**(411.66)**
Proceeds from issue of share capital/application money	45.56	28.00	160.74	15.51	77.92	106.00
Interest paid on borrowings	(0.01)	(0.08)	(6.03)	(60.14)	(103.55)	(49.38)
Proceeds of Short Term Loans	-	-	115.24	217.19	-	391.05
Proceeds of Long Term Loans	-	-	38.04	64.98	305.62	-
Repayment of Short Term Borrowing	(1.44)	-	-	-	(80.05)	-
Repayment of Long Term Borrowing	-	-	-	-	-	391.05
Net cash from financing activities (C)	**44.11**	**27.92**	**308.00**	**237.54**	**199.94**	**432.60**
Net increase in cash and cash equivalents (A+B+C)	**0.41**	**0.95**	**0.87**	**(0.31)**	**0.11**	**4.38**

Cash and cash equivalents at the beginning of the year	**1.04**	**1.45**	**2.39**	**3.27**	**2.96**	**3.07**
Cash and cash equivalents at the end of the year	**1.45**	**2.39**	**3.27**	**2.96**	**3.07**	**7.45**

THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	16,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 18 per Equity Share aggregating Rs. 295.20 Lakhs
Fresh Issue Consisting of	
Issue Reserved for Market Makers	88,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 18 per Equity Share aggregating Rs. 15.84 Lakhs
Net Issue to the Public	15,52,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 18 per Equity Share aggregating Rs. 279.36 Lakhs
	of which
	7,76,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 18 per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	7,76,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 18 per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	44,75,893 Equity Shares
Equity Shares outstanding after the Issue	61,15,893 Equity Shares
Objects of the Issue	See the chapter titled “Objects of the Issue” on page 70

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price Process and hence, as per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price.

For further details please refer to chapter titled “Issue Structure” beginning on page 209 of this Draft Prospectus.

GENERAL INFORMATION

Our Company was incorporated as Starlit E- Recyclers Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 04, 2008, in Delhi. Subsequently, Our Company was converted into a public limited company vide fresh certificate of incorporation dated January 25, 2012. Further, the name of our Company was changed to "Starlit Power Systems Limited" vide fresh certificate of incorporation dated February 13, 2012, in Delhi.

For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 110 of this Draft Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Starlit Power Systems Limited

A – 1/20, LGF, Safdarjung Enclave,

New Delhi – 110029, India

Tel: (011) 46027970

Fax: (011) 26102670

Email: info@starlitlead.com

Website: www.starlitlead.com

Registration Number: 174911

Corporate Identification Number: U37200DL2008PLC174911

REGISTRAR OF COMPANIES

Registrar of Companies National Capital Territory of Delhi and Haryana

4th Floor, IFCI Tower, 61, Nehru Place

New Delhi – 110019

Delhi, India

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE:

SME Platform of BSE Limited
P. J Towers, Dalal Street,
Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "*Our History and Certain Other Corporate Matters"* beginning on page 110 of this Draft Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Mr. Yogesh Kumar Gupta	46	00315397	DG-II/100-B, Vikaspuri, New Delhi-110018	Managing Director
2.	Mr. Abhay Kumar Chandalia	41	01775323	78 Jai Apartment, 102 I.P Extn Patparganj, Delhi- 110092	Chairman & Non-Executive and Independent Director

3.	Mr. Surinder Pal	49	01937783	161 Sainik Vihar, Pitampura, Delhi-110034	Executive Director
4.	Mr. Kamaljeet Singh Jaswal	32	02340493	B-10/236, First Floor, East of Kailash, New Delhi-110065	Executive Director
5.	Mr. Amit Nath Sood	53	00081072	B-7 Extn-17, Safdarjung Enclave, Delhi- 110029	Non-Executive and Independent Director

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 113 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Bala Ji

Starlit Power Systems Limited

A – 1/20, LGF, Safdarjung Enclave,

New Delhi – 110029, India

Tel: (011) 46037870

Fax: (011) 26102670

E-mail: csbalaji@starlitgroup.net

Investors may contact the Compliance Officer and/or the Registrar to the Issue and/or the LM to the Issue in case of any Pre-Issue or Post- Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

STATUTORY AUDITORS

DM & Company, Chartered Accountants

301/18, 2nd Floor,

Krishna Mansion, Civil Lines,

Gurgaon- 122001

Tel.:- 0124-4077218

E-mail: dheeraj.mehta78@gmail.com

Contact Person: CA Dheeraj Mehta

Firm Registration No. 022527N

Membership No. 504305

PEER REVIEWED AUDITORS

V. K. Sehgal & Associates

201, Harsh Bhawan,

64-65, Nehru Place,

New Delhi- 110019

Tel. :- (011) 26425974

Fax :- (011) 26425980

E-mail: vksehgal123@vsnl.net

Contact Person: Mr. Naresh Kumar Gupta

Firm Registration No. 011519N

Membership No. 097505

LEAD MANAGER

Sarthi Capital Advisors Private Limited

Anthem House, E-360,

1st Floor, Nirman Vihar

Delhi – 110092

Tel: (011) 22449817/18

Fax: (011) 22439816

E-mail: starlitipo@sarthiwm.in

Contact Person: Mr. Anand Lakhotia

Mr. Abhishek Jain

SEBI Reg. No: INM000012011

159/11, Amar Brass Compound

Vidya Nagari Marg, Kalina

Santacruz (E), Mumbai – 400 098

Tel: (022) 26528671/72

Fax: (022) 26528673

Contact Person: Mr. Deepak Sharma

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E2 Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri East, Mumbai- 400072

Tel: (022) 40430200

Fax: (022) 28475207

E-mail: ipo@bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Registration No: INR000001385

LEGAL ADVISOR TO THE ISSUE

Mr. Ashim Shridhar

Chamber No. 711 Block III

Delhi High Court, New Delhi

Tel: (011) 26882657, 9971547353

Fax: (011) 26102670

E-mail: ashim_shridhar@hotmail.com

Contact Person: Mr. Ashim Shridhar

BANKERS TO THE COMPANY

Punjab National Bank

7, Bhikaji Cama Place Branch,

New Delhi- 110066

Tel: (011) 26192856

Fax: (011) 26101756

E-mail: Bo1988@pnb.co.in

Contact Person: Mr. M. N. Parmar

BANKERS TO THE ISSUE / ESCROW COLLECTION BANK

ICICI Bank Limited

Capital Market Division

1st Floor, 122, Mistry Bhavan,

Dinshaw Vachha Road,

Backbay Reclamation, Churchgate,

Mumbai-400020

Tel: (022) 22859905

Fax: (022) 22611138

E-mail: anil.gadoo@icicibank.com

Contact Person: Mr. Anil Gadoo

SEBI Registration No: INBI00000004

Punjab National Bank

Capital Market Services Branch

5- Sansad Marg,

New Delhi- 110001

Tel: (011) 23737535/33/31

Fax: (011) 23737528

E-mail: bo4552@pnb.co.in

Contact Person: Mr. N K Sharma

SEBI Registration No.: INBI00000084

REFUND BANKER

ICICI Bank Limited

Capital Market Division

1st Floor, 122, Mistry Bhavan,

Dinshaw Vachha Road,

Backbay Reclamation, Churchgate, Mumbai-400020

Tel: (022) 22859905

Fax: (022) 22611138

E-mail: anil.gadoo@icicibank.com

Contact Person: Mr. Anil Gadoo

SEBI Registration No: INBI00000004

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

CREDIT RATING

This being an issue of Equity shares, credit rating is not required.

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 295.20 Lakhs, 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 BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia,* the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Sarthi Capital Advisors Pvt. Ltd. is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

Except the report of the Statutory Auditor on statement of tax benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITER

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated March 12, 2014, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Sarthi Capital Advisors Private Limited 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai - 400098 **Tel: -** (022) 26528671/72 **Fax:** (022) 26528673	16,40,000	295.20	100%

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Email: starlitipo@sarthiwm.in **Contact Person:** Mr. Deepak Sharma **SEBI Registration No:** INM000012011			
Total	**16,40,000**	**295.20**	**100%**

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated March 12, 2014 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park,

156-158, Chakravarti Ashok Society,

J.B. Nagar, Andheri (E)

Mumbai- 400099

Tel: (022) 67078910

Fax: (022) 67079898

E-mail: mahavir.toshniwal@choiceindia.com

Contact Person: Mr. Mahavir Toshniwal

SEBI Registration No.: INB011377331

Market Maker Registration No. (SME Segment of BSE): SMEMM0329931012012

Choice Equity Broking Private Limited, registered with SME segment of BSE 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 (ICDR) Regulations.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 %.of Issue Size (Including the

Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 88,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

4. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.

7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.

9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

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

    In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

12. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

13. SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:

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

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

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

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

Issue size	Buy quote exemption threshold (including mandatory initial inventory of5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Prospectus before and after the issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	1,00,00,000 Equity Shares of face value of Rs. 10 each	1,000	
B	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**		
	44,75,893 fully paid up Equity Shares of face value of Rs. 10 each	447.59	
C	**PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS***		
	16,40,000 Equity Shares of face value of Rs. 10 each	164.00	295.20
	Which comprises of		
	88,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 8 per Equity Share reserved as Market Maker Portion	8.80	15.84
	Net Issue to Public of 15,52,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 8 per Equity Share to the Public	155.20	279.36
	Of which		
	7,76,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 8 per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	77.60	139.68
	7,76,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 8 per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	77.60	139.68
D	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE**		
	61,15,893 Equity Shares of face value of Rs. 10 each	611.59	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue		292.55
	After the Issue		378.75

** The Issue has been authorized pursuant to a resolution of our Board dated October 03, 2013 and by Special Resolution passed under Section 81(1A) of the Companies Act, 1956 at an Extra Ordinary General Meeting of our shareholders held on October 30, 2013*

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10 each only. All Equity Shares issued are fully paid-up.

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

NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

a) The Initial authorized Share Capital of Rs. 5,00,000 (Rupees Five Lakhs only) consisting of 50,000 Equity shares of face value of Rs. 10 each was increased to Rs. 50,00,000 (Rupees Fifty Lakhs) consisting of 5,00,000 Equity Shares of face value of Rs.10 each pursuant to a resolution of the shareholders dated June 27, 2008.

b) The authorized capital of Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity shares of face value of Rs.10 each was increased to Rs.1,50,00,000 (Rupees One Crore Fifty Lakhs only) consisting of 15,00,000 Equity Shares of face value of Rs.10 each pursuant to a resolution of the shareholders dated July 15, 2010.

c) The authorized capital of Rs.1,50,00,000 (Rupees One Crore Fifty Lakhs only) consisting of 15,00,000 Equity shares of face value of Rs.10 each was increased to Rs.10,00,00,000 (Rupees Ten Crore only) consisting of 1,00,00,000 Equity Shares of face value of Rs. 10 each pursuant to a resolution of the shareholders dated March 25, 2011.

1. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No of Shares	Cumulative Paid up Capital
Since Incorporation	10,000	10	10	Subscription to MOA[(1)]	Cash	10,000	1,00,000
December 15, 2008	2,64,360	10	10	Further Allotment[(2)]	Cash	2,74,360	27,43,600
March 28, 2009	38,248	10	50	Further Allotment[(3)]	Cash	3,12,608	31,26,080
August 17, 2010	3,30,000	10	10	Further Allotment[(4)]	Cash	6,42,608	64,26,080
March 31, 2011	15,56,220	10	10	Further Allotment[(5)]	Cash	21,98,828	2,19,88,280
March 30, 2012	70,000	10	10	Further Allotment[(6)]	Cash	22,68,828	2,26,88,280
July 13, 2012	85,000	10	10	Further Allotment[(7)]	Cash	23,53,828	2,35,38,280
September 28, 2012	7,84,610	10	10	Further Allotment[(8)]	Cash	31,38,438	3,13,84,380

March 20, 2014	9,92,515	10	30.73	Further Allotment[9]	Pursuant to conversion of compulsorily convertible debentures	41,30,953	4,13,09,530
March 20, 2014	3,44,940	10	30.73	Further Allotment[10]	Cash	44,75,893	4,47,58,930

(1) Initial Subscribers to Memorandum of Association Mrs. Purabi Shridhar, Mr. Sachin Shridhar, Mr. Surinder Pal, and Mrs. Meenakshi Kumar have respectively subscribed to 2,500 Equity Shares each of face value of Rs. 10/- fully paid up.

(2) The Company allotted 2,64,360 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Sachin Shridhar	2,62,260
2.	Surinder Pal	2,100
	Total	**2,64,360**

(3) The Company allotted 38,248 equity shares of face value of Rs. 10/-each at a premium of Rs. 40 as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Sudhir Sharma	32,000
2.	Surinder Pal	3,620
3.	Sachin Shridhar	2,628
	Total	**38,248**

(4) The Company allotted 3,30,000 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Sachin Shridhar	1,50,000
2.	Starlit Infrastructure Ltd.	1,45,000
3.	Surinder Pal	35,000
	Total	**3,30,000**

(5) The Company allotted 15,56,220 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Starlit Finance Ltd	7,45,733

Sr. No.	Name of Person	No. of Shares Allotted
2.	Starlit Infrastructure Ltd.	4,86,633
3.	Sachin Shridhar	1,77,654
4.	Surinder Pal	86,200
5.	Yogesh Gupta	60,000
	Total	**15,56,220**

(6) The Company allotted 70,000 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Surinder Pal	40,000
2.	Yogesh Kumar Gupta	30,000
	Total	**70,000**

(7) The Company allotted 85,000 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Sachin Shridhar	85,000
	Total	**85,000**

(8) The Company allotted 7,84,610 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Pyramid Sales Pvt Ltd	1,56,920
2.	Veekay Apartments Pvt Ltd.	1,56,920
3.	BFM Industries Ltd.	1,56,920
4.	Somani Estates Pvt Ltd	1,56,925
5.	Humraj Commodities Pvt Ltd.	1,56,925
	Total	**7,84,610**

(9) The Company allotted 9,92,515 Equity Shares of face value of Rs. 10/-each pursuant to conversion of compulsorily convertible debentures at premium of Rs. 20.73 per equity share as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Pyramid Sales Private Limited	9,92,515

Sr. No.	Name of Person	No. of Shares Allotted
	Total	**9,92,515**

(10) The Company allotted 3,44,940 Equity Shares of face value of Rs. 10/-each at a premium of Rs. 20.73 per equity share as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Pyramid Sales Private Limited	3,44,940
	Total	**3,44,940**

2. Issue of Equity Shares for consideration other than cash

We have not issued any Equity shares for consideration other than cash.

No benefits have accrued to the Company out the above issuances.

3. 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.
4. We have not issued any equity shares in last one year at price below Issue Price.
5. Details of shareholding of promoters

A. Mr. Sachin Shridhar

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No. of Shares Pledged	% of Shares Pledged
Since Incorporation	2,500	10	10	Subscription to MOA	0.05	0.04	3 years	0	0.00%
December 15, 2008	2,62,260	10	10	Further Allotment	5.86	4.29	3 years	0	0.00%
March 28, 2009	2,628	10	50	Further Allotment	0.06	0.04	3 years	0	0.00%
August 17, 2010	1,50,000	10	10	Further Allotment	3.35	2.45	3 years	0	0.00%
March 31, 2011	1,77,654	10	10	Further Allotment	3.97	2.90	3 years	0	0.00%
July 13, 2012	85,000	10	10	Further Allotment	1.90	1.40	3 years	0	0.00%
Total	**6,80,042**				**15.19**	**11.12**		**0**	**0.00%**

B. Starlit Finance Limited

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No. of Shares Pledged	% of Shares Pledged
March 31, 2011	7,45,733	10	10	Further Allotment	16.66	12.19	3 years	0	0.00%
Total	**7,45,733**				**16.66**	**12.19**		**0**	**0.00%**

6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months.

7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchanges.

8. Details of Promoter's Contribution locked in for three years:

   Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an 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 23.31 % 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.

Date of allotment	Date when made fully paid up	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
Mr. Sachin Shridhar (A)						
Since Incorporation	Since Incorporation	2,500	10	10	Subscription to MOA	0.04
December 15, 2008	December 15, 2008	2,62,260	10	10	Further Allotment	4.29
March 28, 2009	March 28, 2009	2,628	10	50	Further Allotment	0.04
August 17, 2010	August 17, 2010	1,50,000	10	10	Further Allotment	2.45
March 31, 2011	March 31, 2011	1,77,654	10	10	Further Allotment	2.90
July 13, 2012	July 13, 2012	85,000	10	10	Further Allotment	1.40
Total (A)		**6,80,042**				**11.12**

Starlit Finance Ltd. (B)						
March 31, 2011	March 31, 2011	7,45,733	10	10	Further Allotment	12.19
Total (B)		**7,45,733**				**12.19**
Total (A+B)		**14,25,775**				**23.31**

We further confirm that the aforesaid 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.
- The Equity Shares held by the Promoters and offered for minimum 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 Promoter on conversion of partnership firm into limited company.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

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 Regulations, as applicable.

9. Details of share capital locked in for one year

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

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, 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 the hands of transferees for the remaining period and compliance with the Takeover Regulations.

A. The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Listing Agreement, as on the date of this Draft Prospectus:

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II))	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/Hindu Undivided Family	6	9,76,462	9,76,462	21.82	21.82	0	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	2	13,77,366	13,77,366	30.77	30.77	0	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (A)(1)	**8**	**23,53,828**	**23,53,828**	**52.59**	**52.59**	**0**	**0.00**
(2)	Foreign	0	0	0	0.00	0.00	0	0.00
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II))	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(c)	Institutions/FII	0	0	0	0.00	0.00	0	0.00
(d)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (A)(2)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**8**	**23,53,828**	**23,53,828**	**52.59**	**52.59**	**0**	**0.00**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Fund	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II))	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Nominated Investors (as defined in Chapter XA of SEBI (ICDR) Regulations)	0	0	0	0.00	0.00	0	0.00
(i)	Market Makers	0	0	0	0.00	0.00	0	0.00
(j)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (B) (1)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
(2)	**Non-Institutions**							
(a)	Bodies Corporate	5	21,22,065	0.00	47.41	47.41	0	0.00
(b)	Individuals -							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	0	0	0	0.00	0.00	0	0.00
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0.00	0	0.00
(c)	Any other (Specify)Individual (Non-Resident	0	0	0	0.00	0.00	0	0.00

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II))	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
	individuals)							
	SUB TOTAL (B) (2)	**5**	**21,22,065**	**21,22,065**	**47.41**	**47.41**	**0**	**0.00**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**5**	**21,22,065**	**21,22,065**	**47.41**	**47.41**	**0**	**0.00**
	TOTAL (A)+(B)	**13**	**44,75,893**	**23,53,828**	**52.59**	**52.59**	**0**	**0.00**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	**13**	**44,75,893**	**23,53,828**	**52.59**	**52.59**	**0**	**0.00**

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

B. Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group (individuals and companies).

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Sachin Shridhar	6,80,042	15.19	6,80,042	11.12
2.	Starlit Finance Limited	7,45,733	16.66	7,45,733	12.19
	Promoter Group				
1.	Surinder Pal	1,69,420	3.79	1,69,420	2.77
2.	Lalit Sharma	32,000	0.71	32,000	0.52
3.	Purabi Shridhar	2,500	0.06	2,500	0.04
4.	Meenakshi Kumar	2,500	0.06	2,500	0.04
5.	Starlit Infrastructure Limited	6,31,633	14.11	6,31,633	10.33
6.	Yogesh Kumar Gupta	90,000	2.01	90,000	1.47
	Total	**23,53,828**	**52.59**	**23,53,828**	**38.49**

The average cost of acquisition of 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. Sachin Shridhar	6,80,042	10.15
Starlit Finance Limited	7,45,733	10.00

Equity Shares held by top ten shareholders

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Pyramid Sales Pvt Ltd	14,94,375	33.39
2.	Starlit Finance Ltd.	7,45,733	16.66

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
3.	Sachin Shridhar	6,80,042	15.19
4.	Starlit Infrastructure Ltd.	6,31,633	14.11
5.	Surinder Pal	1,69,420	3.79
6.	Kathod Investments & Finance Co. Ltd	1,56,925	3.51
7.	Somani Estates Pvt Ltd	1,56,925	3.51
8.	Veekay Apartments Pvt. Ltd.	1,56,920	3.51
9.	BFM Industries Ltd	1,56,920	3.51
10.	Yogesh Kumar Gupta	90,000	2.01
	Total	**44,38,893**	**99.17**

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Starlit Finance Ltd.	7,45,733	16.66
2.	Sachin Shridhar	6,80,042	15.19
3.	Starlit Infrastructure Ltd.	6,31,633	14.11
4.	Surinder Pal	1,69,420	3.79
5.	Kathod Investments & Finance Co. Ltd	1,56,925	3.51
6.	Somani Estates Pvt Ltd	1,56,925	3.51
7.	Veekay Apartments Pvt. Ltd.	1,56,920	3.51
8.	BFM Industries Ltd	1,56,920	3.51
9.	Pyramid Sales Pvt Ltd	1,56,920	3.51
10.	Yogesh Kumar Gupta	90,000	2.01
	Total	**31,01,438**	**69.29**

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

Sr. No.	Name of shareholder*	No. of Shares	% age of then existing capital
1.	Starlit Finance Limited	7,45,733	32.87
2.	Starlit Infrastructure Limited	6,31,633	27.84
3.	Sachin Shridhar	5,95,042	26.23
4.	Surinder Pal	1,69,420	7.47
5.	Yogesh Kumar Gupta	90,000	3.97
6.	Sudhir Sharma	32,000	1.41
7.	Purabhi Shridhar	2,500	0.11
8.	Meenakshi Kumar	2,500	0.11
	Total	**22,68,828**	**100.00**

*Our Company has only eight shareholders two years prior to the date of this Draft Prospectus

10. 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 this Draft Prospectus.
11. The Equity Shares, which are subject to lock-in, shall carry the inscription “non-transferable” and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
12. As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
13. Except, as otherwise disclosed in the chapter titled “Objects of the Issue” beginning on page 70 of this Draft Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
14. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on page 217 of this Draft Prospectus.
15. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
16. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Draft Prospectus.
17. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
18. Under subscription, if any, in any category, shall 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 SME Platform of BSE.
19. 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.

20. The Issue is being made through Fixed Price Method.
21. As on date of filing of this Draft Prospectus with Stock Exchange, 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.
22. On the date of filing this Draft Prospectus with Stock Exchange, 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.
23. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
24. Lead Manager to the Issue viz. Sarthi Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
25. Our Company has not revalued its assets since incorporation.
26. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
27. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
28. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
29. 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 Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
30. 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 spilt/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.
31. 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.
32. 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.
33. 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.
34. Our Company has 13 shareholders as on the date of filing of this Draft Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:-

1. Working Capital requirements;
2. General Corporate Purposes and
3. Issue Expenses

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

FUND REQUIREMENTS

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.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

Sr. No.	Particulars	Amount (in Rs. Lakhs)
1.	Working Capital Requirement	230.00
2.	General Corporate Purposes	20.00
3.	*Issue Expenses	45.20
	Total	**295.20**

** As on March 21, 2014, Company has incurred a sum of Rs. 3,75,241 (Rupee Three Lakhs Seventy Five Thousand Two Hundred Forty One Only) towards issue expenses.*

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case

of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt.

Details of Utilization of Issue Proceeds

Working Capital

(*Rs. In Lakhs*)

Particulars	2012-13 (Audited)	2013-14 (Estimated)	2014-15 (Estimated)
Current Assets			
Inventories	225.38	542.69	848.53
Trade Receivables	306.27	1235.59	1875.39
Short Term Loans and Advances	21.80	96.24	120.30
Other Current Assets	16.35	18.35	21.15
Total (A)	**569.80**	**1892.87**	**2865.37**
Current Liabilities			
Trade Payables	153.93	87.05	148.31
Other Current Liabilities	16.51	58.82	73.53
Short Term Provisions	10.60	27.05	28.53
Total (B)	**181.04**	**172.92**	**250.37**
Net Working Capital (A)-(B)	**388.76**	**1719.95**	**2615.00**
Sources Of Working Capital			
Fund based borrowings	252.39	1180.00	1920.00
Internal sources	136.37	539.95	465.00
IPO Proceeds	Nil	Nil	230.00

Basis of Estimation

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in FY 2014-15 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

We have estimated future working capital requirements based on the following:

(*No. of days*)

Particulars	Basis	FY 2013	FY 2014 (Estimated)	FY 2015 (Estimated)
Receivables	Debtors Collection Period (in days)	36	61	61
Payables (including non fund based limit)	Credit Period	19	5	6

General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 20.00 Lakhs for General Corporate Purposes as decided by our Board time to time, including but not restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 45.20 Lakhs.

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	38.00	84.00	12.87
Regulatory fees & Other Expenses	7.20	16.00	2.44
Total estimated Issue expenses	**45.20**	**100.00**	**15.31**

DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(*Rs. in Lakhs*)

Particulars	Total Funds required	Amount incurred till March 21, 2014	Balance deployment during FY 2014-15
Long Term Working Capital	230.00	0.00	230.00
General Corporate Purpose	20.00	0.00	20.00
*Issue Expenses	45.20	3.75	41.45
Total	**295.20**	**3.75**	**291.45**

** As on March 21, 2014, Company has incurred a sum of Rs. 3,75,241 (Rupee Three Lakhs Seventy Five Thousand Two Hundred Forty One Only) towards issue expenses.*

DM & Company, Statutory Auditor have vide certificate dated March 21, 2014, confirmed that as on March 21, 2014 following funds were deployed for the proposed Objects of the Issue:

(*Rs. in Lakhs*)

Source	Estimated Amount
Internal Accruals	3.75
Total	**3.75**

MEANS OF FINANCE

(*Rs. in Lakhs*)

Particulars	Estimated Amount
Net Proceeds	295.20
Internal Accruals	0.00
Total	**295.20**

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

MONITORING UTILIZATION OF FUNDS

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

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

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 18 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 18 per Equity Share and is 1.8 times the face value.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are -

- Proven track record in the lead refining and smelting business;
- Leveraging the experience of our Promoter;
- Experienced management team and a motivated and efficient work force;

For further details, refer to heading '***Our Strengths***' under chapter titled '***Our Business'*** beginning on page 97 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2010-11, 2011-12 and 2012-13 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. ***Basic Earnings per Share (EPS) as per Accounting Standard 20***

Year ended	EPS (Rs.)	Weight
March 31, 2011	(0.12)	1
March 31, 2012	1.30	2
March 31, 2013	0.96	3
Weighted Average	**0.89**	
Period ended September 30, 2013*	**0.35**	

Not Annualized

Note: The EPS has been computed by dividing net profit as restated, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

2. **Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 18 per Equity Share of face value of Rs. 10/- each.**

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2012-13	18.75
P/E ratio based on Weighted Average EPS	20.22

3. ***Average Return on Net worth (Ron)***

Return on Net Worth ("Ron") as per restated financial statements

Year ended	Ron (%)	Weight
March 31, 2011	(1.17)	1
March 31, 2012	10.18	2
March 31, 2013	7.92	3
Weighted Average	**7.16**	

Note: The Ron has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

4. ***Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2013 is* 5.57%**

5. ***Net Asset Value (NAV)***

Particulars	Amount (Rs.)
Net Asset Value per Equity Share as of March 31, 2013	12.17
Net Asset Value per Equity Share after the Issue	17.23
Issue Price per equity share	18.00

NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares

6. ***Comparison with other listed companies/ Industry peers***

Our Company is primarily engaged in Smelting of Battery & Lead Scrap, manufacture, supply and export of pure lead, different Lead Alloys like Calcium Aluminum alloy Antimonial Alloy and Selenium Alloy, Lead Oxides like Lead Sub Oxide and Red Lead.

Currently there is no listed entity in India operating in this particular business segment with similar size, scale and business model and hence a strict comparison with us is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs 18.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors on page 19 and Financials of the company as set out in the Financial Statements included in the Draft Prospectus beginning on page 145 to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs 10 per share and the Issue Price is 1.80 times of the face value i.e. Rs 18.00 per share.

For further details see "Risk Factors" beginning on page 19 and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 145 of this Draft Prospectus for a more informed view.

STATEMENT OF TAX BENEFITS

Statement of possible tax benefits available to the company and its shareholders

To
The Board of Directors
Starlit Power Systems Limited,
A1/20, LGF, Safdarjung Enclave,
New Delhi – 110029

We hereby confirm that the enclosed annexure, prepared by **Starlit Power Systems Limited** ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed 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. We do not express any opinion or provide any assurance as to whether:

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

For D M And Company
Chartered Accountants
F.R.N 022527N

Dheeraj Mehta
Partner
M. No. 504305

Place - New Delhi
Date – 21.03.2014

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO STARLIT POWER SYSTEMS LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2013-14.

Benefits to the Company under the Income Tax Act, 1961 (The "Act")

1. General tax benefits

A. Business Income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

B. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax ("MAT") is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

C. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.

- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
    1. National Highway Authority of India (NHAI) constituted under Section 3 of
    2. National Highway Authority of India Act, 1988; and
    3. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Securities Transaction Tax

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.

- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

Benefits to the Resident members / shareholders of the Company under the Act

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.

- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

D. Non-Resident Taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under

Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

Benefits available to Foreign Institutional Investors ('FIIs') under the Act

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

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C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

Benefits available to Mutual Funds under the Act

a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

Gift Tax Act, 1958

- Gift tax is not leviable in respect of any gifts made on or after October 1, 1998.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

History & Occurrence

Humans have used lead for at least 7,000 years mainly because deposits containing lead are widespread and it is easy to extract and work with. Lead was mentioned in the book of Exodus. Alchemists thought that lead was the oldest metal and associated it with the planet Saturn. Lead pipes bearing the insignia of Roman emperors are symbol in service today in some countries. Lead's symbol Pb is an abbreviation of its Latin name plumbum.

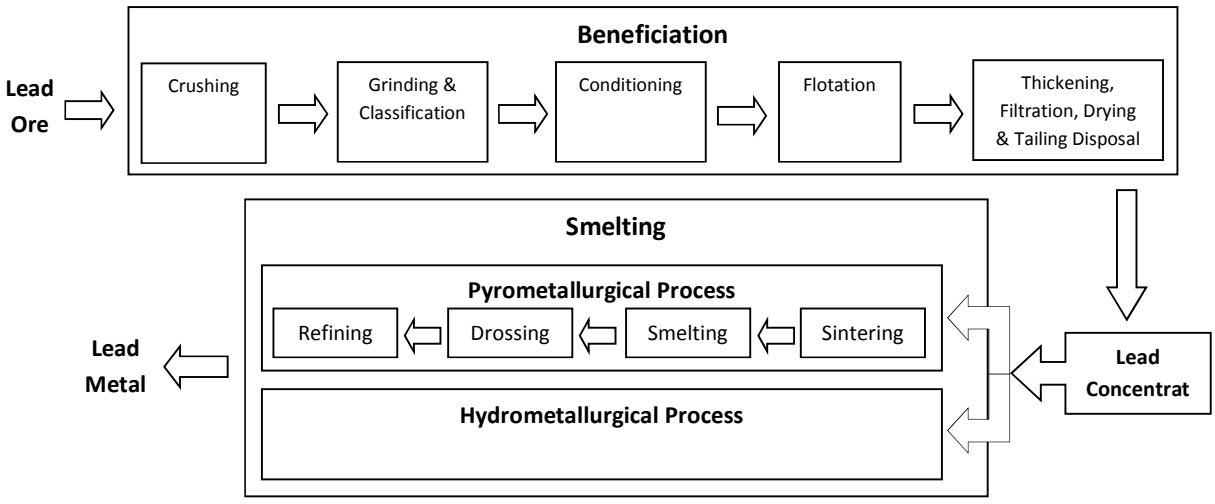
Worldwide, the lead and zinc deposits invariably occur together. Very few deposits contain either lead or zinc as single metal. The main lead mineral is galena (PbS). Other common varieties include cerussite ($PbCO_3$) and angelsite ($PbSO_4$).
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines; http://www.ilzsg.org/static/backgroundinfo.aspx?from=7)

Properties of Lead

Lead is a bright luster, dense, ductile, very soft and highly malleable bluish-white metal which can be toughened by adding a small amount of antimony or other metals to it. As a heavy, malleable metal, lead is one of the most resistant to common corrosion problems. It is a naturally occurring element and is usually associated with other minerals, notably zinc, silver and copper. Trace amounts of other elements, including gold, are sometimes found with lead ore. The ore is mined, concentrated and then smelted in a blast furnace with limestone and coke. It is refined to remove and recover other metals.

Lead has some important properties, in particular malleability (i.e. it can be hammered into shape), ease of production, ease of melting and joining, and good corrosion resistance. As a result, it has been used for purposes such as roofing, windows, piping, kitchen/tableware and ornamental uses for many centuries. The electrochemical properties of lead enable it to be used in storage batteries in all motor vehicles, and for some back-up power supplies.
(Source: Lead Industry in India - Metalworld)

Process



Beneficiation

Beneficiation of lead and zinc ore is a very complex process as it involves separation of lead concentrates and zinc concentrates which have to be effectively treated in different smelters to win both the metals separately.

The process of beneficiation of lead ore to produce concentrates involves following processes:

7. **Crushing**
   Run-of-mine ore (ROM) is crushed in 3 stages namely, primary, secondary, and tertiary. Primary crushing is done by jaw crusher or gyratory crusher. Cone crushers are used in secondary crushing. Sometimes reduced gyratory crushers are also used. Tertiary crushing is done by short head cone crusher.

8. **Grinding & Classification**
   The grinding of ore is to be done precisely because overgrinding of ore will result the galena ore into slimy particles. The slimy galena ore particles may result into low recovery of lead metal. Grinding of crushed ore is achieved by ball mills in closed circuit with spiral classifiers or cyclones. Some of the flotation reagents are added at the time of grinding. The final product of grinding and classification is in the form of slurry of finely ground material.

9. **Conditioning**
   This is the process adopted to separate the lead ore from the complex ore. The finely ground ore in the form of slurry contains sulphide minerals like sphalerite, galena, pyrite and pyrrhotite. Iron oxides, silica, dolomite, carbonaceous material and graphitic material are also present as gangue minerals. The precious metals like gold, silver etc. are also present. Proper conditioning of the material is required to separate these constituents by selective flotation. To achieve this, the reagents like selective depressants, activators, collectors and frothers are used.

10. **Flotation**
    Flotation is carried out in flotation chambers which have impellers and arrangement to supply air bubbles. In lead flotation chambers, rougher lead floatation and cleaner lead flotation are carried out. The chemical reagents used are modifiers, dispersants, activators, collectors and frothers.

11. **Thickening, Filtration, Drying & Tailing Disposal**
    The concentrates of lead thus separated are thickened in thickeners and filtered in filters. Both these processes reduce the water content of the concentrate and recover the water for re-use. The tailings are subjected to cycloning to recover solids in a cyclone. The over-flow of cyclone is sent to thickeners and the tailings from the cyclone are sent to tailing dam. The tailing water can be reused after some necessary treatment before sending to tailing dam.
    (Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Smelting

Smelting is a process by which lead concentrate is treated to produce lead metal. There are two types of smelting processes: (1) Pyrometallurgical process and (2) Hydrometallurgical process. The process adopted depends upon the type of ore used as a charge.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Pyrometallurgical Process:

The conventional Pyrometallurgical process for production of primary lead is carried out in 4 steps:

1. **Sintering**

   The main feed for sintering process is the lead concentrates. Other materials such as iron, silica, limestone flux, coke, etc. are added to the sintering machine. The sinters are made out of the mixture of lead concentrate along with flux and other required material.

2. Smelting

The sinters are then fed to a blast furnace with a blast of hot air or oxygen. The lead metal thus produced is in molten stage. The molten lead being heavy, settles at the bottom of the furnace. The other layers are speiss, which contains the lightest material like arsenic and antimony. The 'matte' contains copper sulphide and other metal sulphides and blast furnace slag which comprise silicates. The heaviest layer which contains 98% lead by weight is known as lead bullion.

3. Drossing

The rough lead bullion obtained from blast furnace requires preliminary treatment before refining. This treatment is known as drossing. During drossing, the molten lead bullion is agitated in a drossing kettle and cooled to a temperature just above its freezing point (at 370^{o}C to 425^{o}C). The dross floats at top which is composed of lead oxide along with copper, antimony and other elements. The dross solidifies above the molten lead, which is removed and fed to a dross furnace for recovery of other metals.

4. Refining

The lead bullion is subjected to Pyrometallurgical process to remove non-lead materials such as gold, silver, bismuth, zinc and oxides of metal such as antimony, arsenic, tin and copper. The refining is done in cast iron kettles in four stages.

- In the first stage, antimony, tin and arsenic are removed. For this, the molten lead is churned with oxidising agent such as molten sodium hydroxide or sodium nitrate for few hours.
- In the next stage, gold and silver are removed from molten lead with the help of zinc. The molten lead is heated with zinc. The precious metals i.e. gold and silver form an alloy with zinc which is then allowed to solidify which floats at the top and can be removed.
- The only impurity that may be left now is bismuth. Bismuth can be removed by electrolytic process. Alternatively, bismuth can be removed by production of stoechiometeric $CaMg_2Bi_2$ compound by adding calcium and magnesium as an alloy or individual metals, crystals and removed by skimming.
- The purity of the refined lead obtained by this process is 99.90% to 99.99%.

The Pyrometallurgical process has a major advantage that it incurs low cost as electricity consumption is less. But the fumes of lead and sulphur pose environmental problems. The level of purity of lead produced is low.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Hydrometallurgical Processes:

These processes are also known as electrolytic processes. The main principle behind these processes is that the anodes of impure lead (lead bullion) are dissolved in an electrolyte and pure lead is deposited on cathode. The most important and largely adopted process amongst these is 'Betts Process'. This process is adopted after smelting and copper is removed from the lead bullion followed by softening. In the Betts process, large cast anodes (about 1 sq m) of lead bullion from which copper is already removed are used. Thin starter sheets of high purity lead are used as cathodes on which newly refined lead particles are deposited. Fluosilicate acid is used as an electrolyte. When an electric current is passed through the electrolyte, the lead is deposited on cathode. Impurities in lead like bismuth, antimony, arsenic, gold and silver remain as anode slime which is treated separately to recover these metals.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

There are few advantages of the hydrometallurgical (electrolytic) process over the conventional Pyrometallurgical process. Firstly, the lead obtained by the electrolytic process has higher degree of purity.

Secondly, any bismuth if present is effectively removed. As high temperature is not required, dust fumes are also not evolved.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Products of Lead

1. Lead Compounds

Many compounds of lead are strongly colored and highly durable. These properties of lead compounds make them useful in paint and pigments. White lead or basic lead carbonate is an intimate mixture of lead carbonate and lead hydroxide or lead oxide. It is very durable and has good external weathering properties and hence used in paints and pigments.

The oxides of lead are mainly used as additives in glass and PVC. Red lead was historically used in paints and anticorrosive pigment in antirust primers used for protection of steelworks.

Another important lead compound is basic lead silicate which is used in cathodic electro position primers for motor vehicles. Lead compounds are also used as stabilizers in PVC. All thermoplastics (plastics which soften on heating) require small amount of additives which are known as stabilizers to prevent degradation of the material.

Lead oxide is added to glasses and glazes. The main advantage of addition of lead oxide is reduction in melting point. Addition of lead compounds to silica based glass can reduce the softening temperature considerably. Moreover, leaded glass gives more attractive and sparkling appearance. This is useful in optical glass used in binoculars, microscopes and spectacles. Leaded glass has a much higher X-ray absorption coefficient and hence is useful in radiation shielding TV tubes, etc. Leaded glass is also used in electrical and electronic devices for its relatively low specific electrical conductivity and dielectric losses. Use of lead compounds in glazing has a considerably long history. It is used in glaze formulations such as ceramics, tableware, floor tiles, porcelain and sanitary wares such as toilets, wash basins, etc. The use of lead compounds in ceramics is due to the properties such as low melting temperature, good compatibility with substratum material and good electrical properties.

Lead compounds have relatively lower cost. Some lead containing ceramics such as lead zirconate, lead titanate, etc. have piezo-electric properties. They find application in spark generators, sensors, electrical filters, etc.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

2. Lead Alloys

Lead alloys find use for many purposes such as soldering, in bearings, in some bronzes (to reduce the melting point), pewter (which is used for ornaments and tablewares). The lead alloys are used to reduce the melting point and to increase the machineability of the alloy. Tin-lead alloy is used for soldering because of its low melting point and good flow characteristics. The bearings are used to provide low friction between the moving parts of the machine. Bearings made of lead based alloys have an advantage of good lubrication and also low cost. Lead is also used in some bronzes to lower the melting point and increase the machineability. Some modern copper, aluminium and steel alloys use small additions of lead to improve machineability.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Global Scenario

The world's lead resources are estimated at some 180 million tonnes. Australia, China and USA together account for 63% of the world's lead reserve base.

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

World Lead Resources (as on 2011) ('000 tonnes of contained Lead Metal)

Country	Reserves
Australia	27000
China	13000
USA	7000
Russia	9200
India	**2600**
Kazakhstan	NA
Poland	1500
Canada	650
Peru	6000
Mexico	5600
Other Countries	8000
World Total (Rounded)	**80000**

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

Global Lead Production and Consumption

The major Lead mines are in China, Australia, USA, Peru, Mexico & India constituting 81% of the total world production. India is among the top six mining countries with a production share of around 2.3%.

Lead Mine Production ('000 tonnes)

Country	2006	2007	2008	2009	2010	2011
China	1331	1402	1403	1604	1851	2350
Australia	621	589	594	525	583	621
USA	429	444	410	406	372	342
Peru	313	329	345	302	260	230
Mexico	135	137	141	144	182	220
India	**69**	**78**	**84**	**82**	**97**	**115**
Others	627	670	797	772	789	767
World Total	**3525**	**3649**	**3774**	**3835**	**4134**	**4645**

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan, Mineral Commodity Summaries 2013)

The leading lead metal producers are China, USA, Germany, Korea Republic, India & UK with about 71% of the total world production. India is the fifth largest lead producer with about 3.3% of the world production share.

Lead Metal Production ('000 tonnes)

Country	2006	2007	2008	2009	2010
China	2715	2783	3452	3773	4199
USA	1303	1303	1280	1214	1256
Germany	379	405	415	391	405
Korea Republic	240	260	273	297	321
India	**220**	**239**	**274**	**307**	**313**
UK	298	275	303	312	301
Others	2965	3057	3063	2695	2777

World Total	8120	8322	9060	8989	9572

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

In the recent years, Lead production from secondary sources forms a major part of refined lead production. About 60% of the metal production is from secondary sources such as used lead batteries, lead scrap etc. In future the secondary source for lead will continue to rise, especially in developing countries.
(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

The global lead metal consumption in 2010 was 9.3 million tonnes. China, USA, Germany, India and Korea Republic are major consumers representing nearly 70% of the world consumption. India's share in the world lead metal consumption is around 3.3%.

Lead Metal Consumption ('000 tonnes)

Country	2006	2007	2008	2009	2010
China	2213	2569	3456	3925	4213
USA	1622	1510	1515	1397	1445
Germany	387	409	369	314	342
India	**275**	**282**	**290**	**297**	**312**
Korea Republic	337	342	315	328	382
Others	3360	3262	3102	2671	2881
World Total	**8194**	**8374**	**9047**	**8932**	**9575**

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

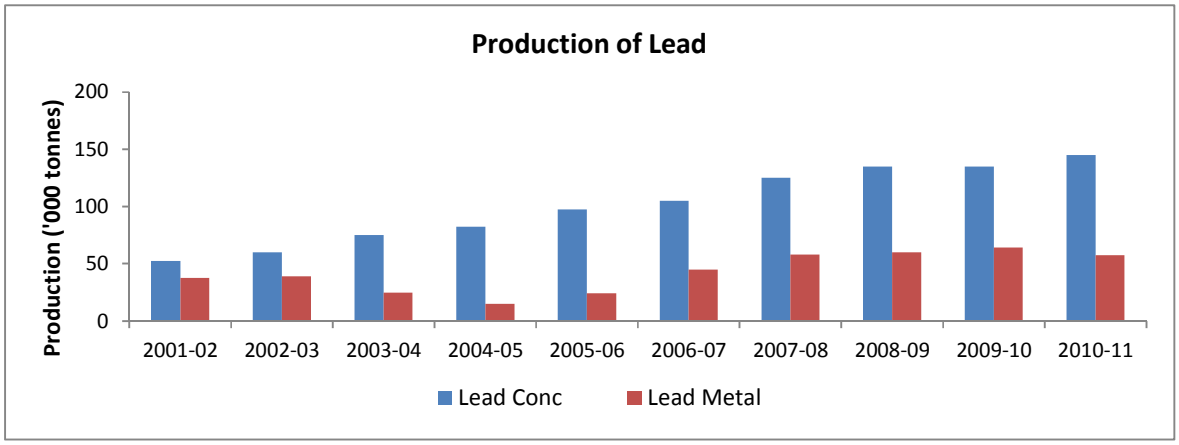
During 2006 to 2010, world refined lead consumption experienced a CAGR of 3.97%. This was a result of CAGR of around 17% in China and above 3% in India and Korea Republic even when all mature economies had seen decline in their consumption levels.

Indian Lead Industry Scenario

India is endowed with large resources of lead and zinc which are distributed over 12 states namely: Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Maharashtra, Meghalaya, Orissa, Rajasthan, Sikkim, Tamil Nadu, Uttarakhand and West Bengal.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Lead Production

While it has a high economic value, lead is relatively economical to produce. As with all metals, there are two main production routes. Primary production from mined lead ore is of course the original source of all lead, but secondary production, where it is recovered from recycled products or from residues arising from the production process is of enormous importance. Secondary lead production now accounts for more than half of all lead produced throughout the world. In the US more than 80% of lead comes from secondary production with Europe reporting over 60%. These impressive figures are made possible by the fact that most lead is used in readily recyclable applications. And unlike many recycled materials, the value of lead means that recycling is economically viable and hence self-sustainable.



(Source: Indian Minerals Yearbook 2011)

Lead Recycling

Lead enjoys one of the highest recycling rates of all materials in common use today. This is a result of its fundamental properties, good design and the ways in which it is used, which make lead based products easily identifiable and economic to collect and recycle. As a result, over half of the lead produced and used each year throughout the world has been used before in other products. What is more, because lead is a naturally occurring element, the quality of the recycled lead is identical to that of primary metal from mining.

The use of lead has evolved over the years, with a significant growth in recyclable uses. Today about 80% of lead is used in lead acid batteries, all of which are recoverable and recyclable. Some countries boast a 100% recycling rate – and most others share the possibility of 100% recyclability. A further 6% of lead is used in the form of lead sheet by the building industry. Together with a number of other smaller volume metallic applications such as radiation shielding, cable sheathing and various specialized applications, such as earthquake dampers, about 90% of all lead is used in readily recyclable products – and almost all of it is recycled – conserving precious ore reserves for future generations.

Lead recycling brings advantages to industry and society in areas such as energy consumption, reduced carbon emissions, resource conservation, employment and costs. For instance, the recycling of used lead products requires only about one third of the energy needed to produce lead from its ores, resulting in major energy savings and fewer carbon emissions. It's therefore not surprising that recycling is a very attractive option for everyone, and a valuable contribution to sustainability.
(Source: International Lead Association)

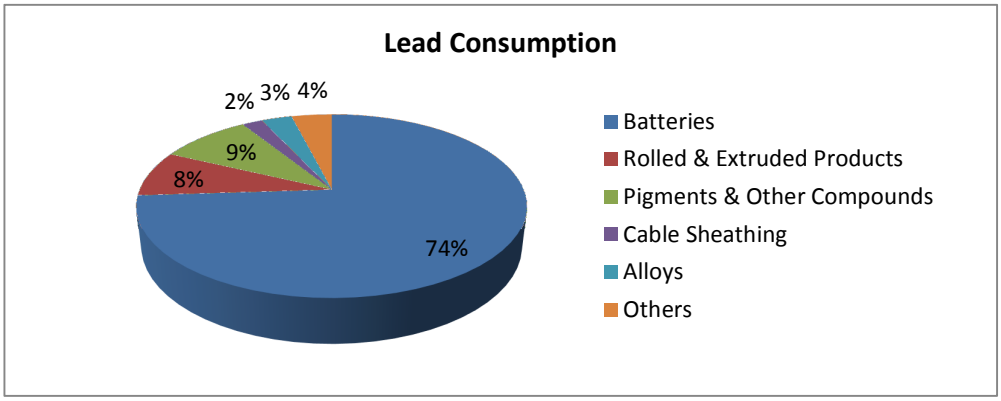
Lead Consumption

Lead is integral to our modern lifestyle. Whilst its malleability and corrosion resistance still make it useful for roof flashings and cladding, the main benefits are derived from harnessing lead's chemical properties.

The principal consumption of lead is for lead-acid batteries which are used in vehicles, and in emergency systems (e.g. hospitals) as well as in industrial batteries found in computers and fork lift trucks. Lead acid batteries are the mainstay of storage technologies for renewable energy sources, such as solar cell and wind turbines and are used to power cars, trucks, buses, motorbikes, electric vehicles and hybrid vehicles. Furthermore, lead acid batteries are vital as a back-up emergency power supply in case of mains power failure in hospitals, telephone exchanges, mobile phone networks, public buildings and for the emergency services. Lead is also used in remote access power systems and load leveling systems as well as in compounds in the glass and plastics industries and for radiation shielding.

Lead's incredible density provides unrivalled protection from radiation and is essential to staff working in hospitals, dental surgeries, laboratories and nuclear installations. Lead stabilizers are added to some PVC products to improve durability, and the metal protects thousands of kilometers of underwater power and communications cables.
(Source: http://www.ila-lead.org/lead-facts/lead-uses)

The battery industry consumes about 74% of lead followed by pigments and compounds 9%, rolled and extruded products 8%, alloys 3%, cable sheathing 2% and the balance 4% is consumed by other industries.
(Source: Indian Minerals Yearbook 2011)



Battery Industry

Lead Acid Storage Batteries is an electro-chemical system that converts electrical energy into direct current electricity. It is also known as storage batteries and has wide applications in Automobiles, UPS/Inverters, Traction/Electrical Sub-Station, Telecommunication, Solar Photovoltaic system etc. It can be charged electrically to provide a static potential for power or release electrical charge when needed.

Types of Batteries

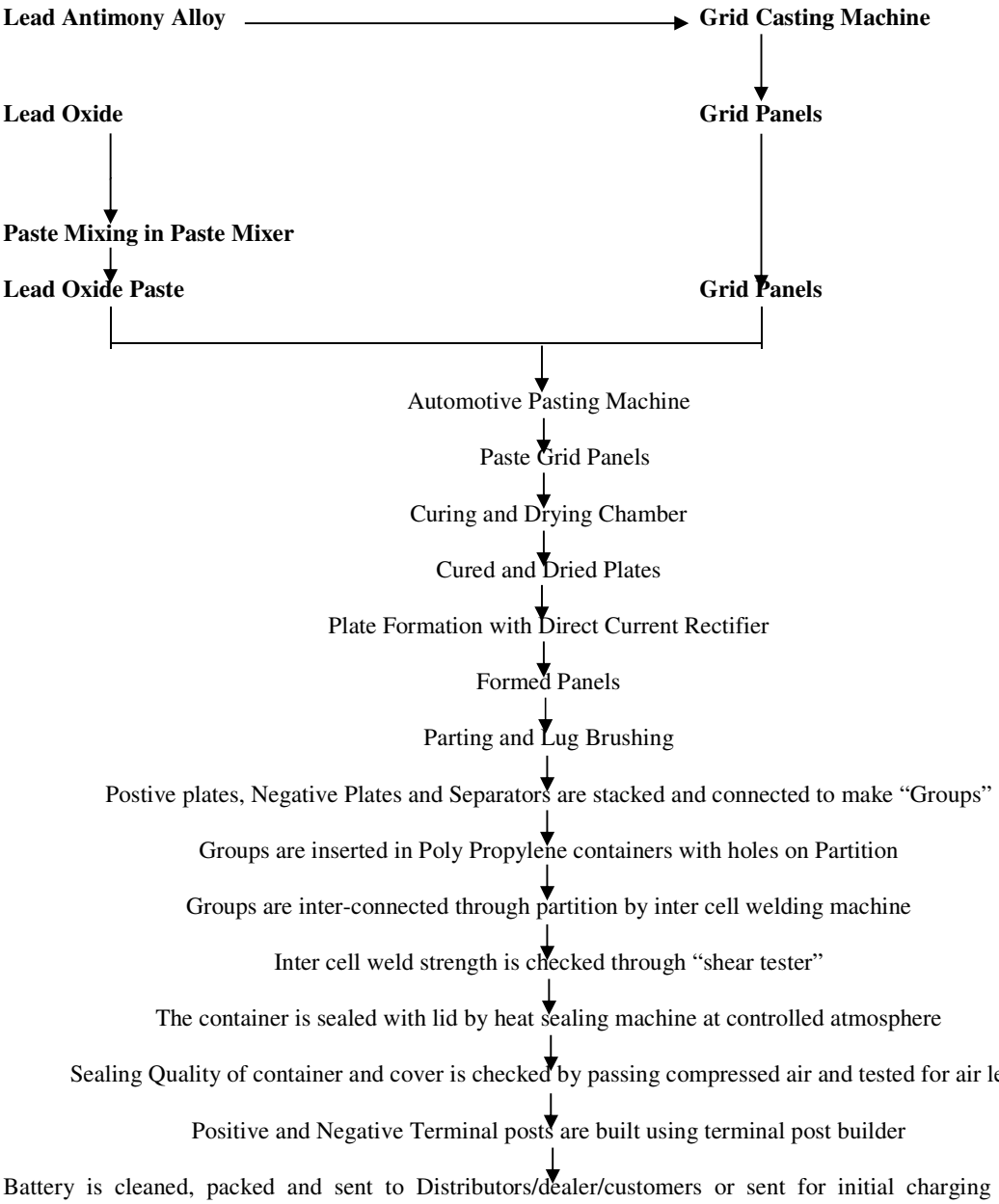
The basic types of lead batteries are:

1. **Flooded/ Vented Lead Acid** group batteries are all "open", allowing gas to escape without any positive pressure building up in the cells. They can be topped up when required and are therefore more tolerant to high temperature operation and over charging. The free electrolyte also facilitates cooling of the battery.
2. **Sealed Lead Acid** group batteries, also known as maintenance free batteries, are sealed with a pressure release valve, which limits the escape of gas to above the release pressure. Hence it is also called "Valve Regulated Lead Acid", or VRLA for short. The electrolyte is immobilized to prevent spillage and facilitate gas recombination within the battery. These batteries are usually more compact in size than vented lead acid batteries and typically used in areas where ventilation is insufficient to accommodate vented batteries. They cannot be topped up and are more susceptible to failure due to high temperature than vented lead acid batteries.

Manufacturing Process

Lead Acid Batteries consists of positive electrodes (called positive plates) of Lead peroxide and negative electrodes (called negative plates) of highly porous spongy Lead. The electrolyte is dilute Sulphuric Acid in the Specific Gravity Range of 1.2 to 1.3 (28%-38% by weight). The positive and negative plates are insulated by means of Synthetic sheet (Pouch/ Envelop) called Separator, which allows the free movement of electrons between plates, while avoiding short circuit of positive and negative electrodes (plates).

A typical process flow chart of lead acid battery manufacturing is given below:



Battery is cleaned, packed and sent to Distributors/dealer/customers or sent for initial charging and after charging, the battery is dispatched

(Source: Management representation)

World Scenario

Lead Acid Battery Industry has seen significant growth in the last few years. Worldwide, primary and secondary battery demand is projected to rise at a nearly 7 percent annual pace. Currently, U.S. is leading the world in the battery market. China, recording the largest gains of any national market, stimulated by healthy economic growth, ongoing industrialization efforts and rising per capita income will surpass the U.S. to become the largest battery market in the world. Sales increases are also expected to be strong in India, Indonesia, South Korea, Poland, South Africa, Brazil and Russia for similar reasons.

Indian Scenario

The total battery market in India is approx. worth Rs 25,000 crores out of which the share of organized sector is 60% and unorganized sector is 40%. The share of the Organized Sector is increasing with each passing year and with the GST regime, which integrates the Country fiscally the rate of this shift from un-organized to organized is going to be even more pronounced. Of the Rs 15000 Cr around 40% share is of two big players viz Exide and Amaron in the market. As this market has very oligopolistic character, it leaves the space open for a quality and niche player.

In the summer season when the power outages become rampant, the demand for larger Batteries used in inverters become very high and that is the time there is shortage of lead and no company can cater to the overall off the shelf demand for batteries. This chronic shortage of batteries in small towns has given rise to a large number of local and at times un-organized players.

The domestic lead storage battery industry comprises two main segments: Automotive and Industrial batteries. Storage batteries are basically used as a secondary source of power in vehicles and industrial applications. Automotive batteries account for 60% of the total market while industrial batteries contribute the rest. The unorganized sector in overall terms has a market share of 40% out of Rs 250 billion market.

The segments, be it Four-Wheelers, Two wheelers and inverters are all witnessing a compound annualized growth of 15-20%. The Automobile industry can be subdivided into the OEM and Retail or Replacement markets. The Industrial batteries market can be broken up into the infrastructure market (railways, telecom and power), submarine batteries and fast-moving industrial batteries (UPS and inverters).
(Source: Management representation)

Sales of automotive batteries were severely affected due to an unprecedented slowdown in the automobile industry. Growth in production and sales of total vehicles during 2011-12 was around 1% each as compared to the previous year. The major reasons for the dismal performance can be attributed to inflationary pressures, rise in fuel prices, high cost of borrowing, adverse foreign exchange rate, some industrial unrest and above all an overall negative sentiment.

Foreign Trade

Lead is the fourth important non ferrous metal traded worldwide.

Export

Exports of lead from the country are in the form of ore and concentrates, lead alloys and scrap, lead waste and scrap, lead unrefined, refined lead unwrought, pig lead, lead and alloys worked and others. Exports of lead ores and concentrate increased sharply to 122,200 tonnes in 2010-11 as compared to 36,476 tonnes in the previous year. China was the single largest importer accounting for almost the entire quantity. Exports of lead and alloys & scrap also increased to 161,430 tonnes during 2010-11 as compared to 53,779 tonnes in the preceding year. Almost entire exports were of lead & alloys while those of scrap were nominal. China accounting for 71% of exports was followed by Rep. of Korea (14%) and Indonesia (6%) as the major destinations in 2010-11.
(Source: Indian Minerals Yearbook 2011; Market Survey on Lead & Zinc – Indian Bureau of Mines)

India's Lead Concentrate Exports during the last four years have been as follows:

Year	Exports ('000 tonnes)
2007-08	65
2008-09	56
2009-10	31
2010-11	38

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

Import

Imports of lead in India are in the form of lead ores and concentrates, lead and alloys including scrap, lead and alloys unwrought, pig lead, antimonial lead, worked lead and alloys (bars, rods, plates, etc.). Imports of lead ores & concentrates increased to 9,722 tonnes in 2010-11 as compared to 6,944 tonnes in 2009-10. Imports were mainly from Malaysia (13%), Iran (12%) and Morocco (11%). Imports of lead and alloys & scrap during 2010-11 were 285,662 tonnes compared to 253,275 tonnes in 2009-10. Imports comprised mainly lead and alloys and the rest was scrap. UAE (15%), UK (14%), Australia (13%), Rep. of Korea (7%), & Belgium (6%) were the major suppliers during 2010-11.
(Source: Indian Minerals Yearbook 2011)

India's Lead Concentrate Imports during the last four years have been as follows:

Year	Imports ('000 tonnes)
2007-08	6
2008-09	5
2009-10	7
2010-11	8

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

Demand Drivers

- **Batteries:** Lead, presently is not substituted by any other metal in the production of lead acid batteries, which are vital for automobiles eventually driving the lead industry forward in near future.
  - Lead acid battery is used as power back-up especially in power deficient countries. Lead batteries are finding newer applications such as inverter battery, battery operated mopeds, battery operated cars, battery operated forklifts, and even mass transport vehicles especially where there is a concern for cleaner atmosphere.
  - Now-a-days battery operated small vehicles are used in railway stations and airports, for carrying luggage as well as passengers for short distances and big industries.
  - Lead calcium alloys are used in the manufacture of "maintenance free" batteries also known as VRLA (Valve Regulated Lead Acid) batteries. Calcium addition enhances the performance and life of the batteries. VRLA batteries are preferred in critical applications like telecom, railways, power etc. because of the inherent advantages.

- **Lead Recycling:** Lead when used as metal in batteries, cable sheathing and sheathing for containing radiation is fully recyclable without losing its properties. Therefore, there is a thriving industry of lead recycling in the country.

- **Ammunition Uses:** Lead is widely used in shot and other weapons. Pure lead maintains the uniformity and lack of brittleness (molecular cohesion) that has always made it an ideal bullet material driving the demand for lead.

Challenges

- **Battery Substitutes:**
  - Battery replacements include batteries of nickel-zinc, zinc lithium chloride, sulphide or nickel lithium hydride. The large-scale commercial use of any of these four possible substitutes was so far precluded by cost and operating problems.
  - Polyethylene and other materials work as substitute in some cable applications. Storage batteries for industrial load leveling, mains power management and electric vehicles have growing markets. The

continued search for weight reduction is reducing the amount of lead per battery, and battery lives are being extended thereby creating a drag in lead batteries.

- **Substitutes in Construction Applications:** A number of substitutes in the construction industry can act as a good challenge for the lead industry. In place of galvanized sheets, copper and aluminium are alternatives. In corrosive chemical environment, stainless steel, titanium, plastics and cements are substitutes. Tin, glass, plastics and aluminium are alternatives in tubes and containers, iron & steel or bismuth in shots for ammunition, and tin in solder.

- **Lead-free solders:** In electronic industry, there has been a move towards lead-free solders with varying compositions of tin, bismuth, silver and copper thereby reducing the usage of lead.

- **Environmental Concerns:** Environmental concerns for lead are limiting the uses, particularly in gasoline, where its use as antiknock was phased out by the introduction of catalytic converters. Possible new developments include the use of lead as an antioxidant in asphalt, as a shielding material in nuclear waste, in protection of buildings against radon gases and as a sound buffer. Environmental legislation will inhibit the growth of new uses and possibly eliminate lead from many existing uses. Recycling of lead through environmentally safe processes needs to be encouraged as the growing use of lead in railway electrification as well as in road transport and agriculture sectors has created shortage in country.

- **Lead Price:** The price of lead is extremely volatile and therefore has a major impact on the costs.

Future Outlook

1. Lead is an important metal used in making lead acid batteries (LAB). India's requirement of lead is met through imports. The demand of lead in India is also increasing owing to the growth in automobile sector and consequently in lead acid batteries.

2. The battery industry is growing with a rapid pace mainly due to the increase in the production of all types of vehicles as well as more and more storage batteries are used as power backups. One more aspect added in the demand of batteries is the cleaner fuel for vehicles which are used in the places where pollution is to be kept at the minimum. Moreover development of hybrid type of electric vehicles demands more and more storage batteries.

3. Consumption of industrial batteries is going up as the economy is bottoming out. This will create opportunities for supply of industrial batteries in the telecom towers, railway usage and in the power sector. With the country short of power in several pockets, usage of inverters too, has gone up significantly, which will not be coming down soon.

4. With the growth in the automotive, information & communication technology and infrastructure sectors, the demand for lead is poised to increase and sustain in future. It is expected that down-stream industry development, improvement in standard of living and consumer awareness is set to further increase the demand of lead in the forthcoming years.

The Lead Demand and Supply during the 12th Five Year Plan would be (tonnes):

Year	Lead Demand	Lead Supply
2012-13	433000	185000
2013-14	464000	185000
2014-15	496000	185000
2015-16	531000	185000
2016-17	568000	185000

(Source: Sub- Group-II on Metals and Minerals - 12th Five Year Plan)

5. **Future Demand of Lead for Production of Storage Batteries**
(Base Year 2009-10 battery production 509.30 lakh nos.)

Lead demand	2010-11	2015-16	2020-21	2024-25
Battery Production (Lakh Nos.)	540.88	730.67	987.05	1255.56
Lead Demand (Tonnes)	919,496	1,242,139	1,677,985	2,134,452

(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

6. Nearly 50% of the estimated all India resource is low grade (<5% grade) and are currently not mined. To make these low grade deposits as economically viable mining projects, special relaxation in royalty and taxation need to be considered.

7. With the advent of computers, lead batteries find a wider usage in the UPS (Uninterrupted Power Supply) systems. With the huge demand – supply gaps in the power scenario, power cuts are very common and lead batteries are a source of stored energy through inverters.

8. On the basis of region wise growth there will be a huge demand of about 32 million tonnes of refined lead in 2025 in the entire world and the major consuming region will be Asia where the demand will be about 29 million tonnes.
(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

Estimated Area wise Consumption of Refined Lead (in '000 tonnes)

Year	Europe	Africa	Asia	America	Oceania	World Total
2013	1511.2	84.7	7798.4	1897.2	23.2	11314.7
2014	1475.2	82.6	8694.4	1875.8	21.8	12149.8
2015	1440.1	80.6	9693.3	1854.6	20.5	13089.1
2016	1405.8	78.6	10807.1	1833.6	19.3	14144.4
2017	1372.3	76.7	12048.8	1812.9	18.2	15328.9
2018	1339.6	74.8	13433.2	1792.4	17.1	16657.1
2019	1307.7	73.0	14976.7	1772.1	16.1	18145.6
2020	1276.6	71.2	16697.5	1752.1	15.1	19182.5
2021	1246.2	69.5	18616.0	1732.3	14.2	21678.2
2022	1216.5	67.8	20755.0	1712.7	13.3	23765.3
2023	1187.5	66.2	23139.7	1693.3	12.5	26099.2
2024	1159.2	64.6	25798.4	1674.2	11.8	28708.2
2025	1131.6	63.0	28762.6	1655.3	11.1	31623.6

(Source: Market Survey on Lead & Zinc – Indian Bureau of Mines)

OUR BUSINESS

Overview:

Starlit Power Systems Limited is a group company of the diversified Starlit Group. Our company was incorporated in the year 2008 with its focus Lead and based products. Our Company is engaged in Smelting of Battery & Lead Scrap, manufacture, supply and export of pure lead, different Lead Alloys like Calcium Aluminum alloy Antimonial Alloy and Selenium Alloy, Lead Oxides like Lead Sub Oxide and Red Lead. We have the smelting capacity of 15000 MT per annum and refining/alloying capacity of over 12000 MT per annum with technical capacity to convert assorted heterogeneous lead scrap into pure lead of upto 99.98 % purity. Committing to quality & environment protection, our company works on streamlined processes and principles. The Company uses producer gas as a fuel for all smelting and refining operations. The producer gas is generated captive biomass gassifier plant thereby considerably reducing dependence on Hydro-carbons like furnace oil and diesel. The biomass gassifier technology is Developed by TERI and approved by Ministry of New & Renewable Energy, Government of India. Our plant has been selected as successful demonstration manufacturing plant by United Nations Environment Program (UNEP), Japan for efficient energy operation. The company is an ISO 9001:2008 & ISO 14001:2004 certified company and all the systems & procedures are documented as per certification requirements. Stringent quality measures & processes are implemented at each stage right from the procurement of raw material till the final dispatch of finished products.

About Us:

Starlit Group comprises of closely held companies, each with its own unique resource base and skill set. These boutique entities have built unique synergies with one another enabling superior execution of the projects in the fields of infrastructure development & advisory. The group is managed by a multi-disciplinary team of dedicated and experienced professionals.

Our products are supplied to most prominent battery and secondary power back-up Companies both in India and abroad. In these fields Starlit Lead Products are a recognized name amongst battery manufacturers in India and countries across the world.

Product Portfolio:

The annual production capacity of the plant located at Sohna is 15000 MT. Our Company also recycles old lead acid batteries, lead scrap in environmentally sound manner using highly advanced technology worldwide. The plant is equipped with modern machinery and state-of-the-art Pollution Control equipment. The plant has an in-house testing laboratory with Spectrometer of Spectrolab make (LAB M-10). The detailed product portfolio is:

1. Remelted Lead: The smelting process adopted produces soft & hard lead.

2. Refined Lead or Pure Lead (99.97%): The refining process adopted produces Refined Lead Ingots with a minimum purity level of 99.975 % by weight but achieves purity level of 99.98% in most cases.

3. Lead Sub-Oxide or Grey Oxide: Lead Sub-Oxide/Grey Oxide is manufactured through Ball Mill Process using refined lead with minimum 99.97 % purity.

4. Red Lead Oxide: Red Lead Oxide is manufactured from Lead Sub-Oxide/Grey Oxide which is manufactured from above process refined lead with minimum 99.97 % purity.

5. Lead Alloys: Lead - Calcium Alloy, Antimony Alloy, Antimony-Selenium Alloy

All products are produced adhering to the highest norms of safety. SPSL has the wherewithal to produce customized Lead Alloys as may be required for specialized applications.

Products Broad Specifications:

REFINED LEAD

We manufacture and supply wide array of Refined Lead. This product is manufactured by Pyro-metallurgical process, using premium quality lead ingots in conformity of all the leading quality standards and norms.The offered product is highly acclaimed due to its optimum quality, high purity level of 99.97% and longer service life without any hassles. Further, this product is offered in various specifications and our clients can avail this as per their specific requirements, at industry leading prices.

Elements	Composition in %
Antimony (Sb)	0.001(Max)
Arsenic (As)	0.001 (Max)
Tin (Sn)	0.001 (Max)
Copper (Cu)	0.001 (Max)
Bismuth (Bi)	0.020 (Max)
Iron (Fe)	0.001 (Max)
Nickel (Ni)	0.001 (Max)
Silver (Ag)	0.005 (Max)
Zinc (Zn)	0.001 (Max)
Calcium (Ca)	0.0005 (Max)
Sulphur (S)	0.0005 (Max)
Aluminum (Al)	0.0005 (Max)
Lead (Pb)	99.970 (Min)

LEAD ALLOY

We manufacture wide range of Lead Alloys. The pure lead ingot produced by us has a minimum purity level of 99.97%, which can be maximized up to perfection level.The Lead Ingot offered by us are extensively used for manufacturing lead storage batteries and chemicals. Basically, lead is a heavy, malleable, bluish grey metal that is resistant to common corrosion problems. Clients can avail these lead ingots from us at highly competitive rates. Lead Alloy manufactured by us includes Calcium Lead Alloy, Calcium Tin Alloy, Antimonial Lead Alloy, Selenium Lead Alloy.

Lead -Calcium Alloy

Elements	Specifications (%)
Calcium (Ca)	0.100 - 0.120%
Aluminum (Al)	0.300+/-0.050%
Tin (Sn)	0.600+/-0.050%

(Application: for making SMF, VRLA & Hybrid batteries)

Lead- 2.5% Selenium Alloy

Elements	Specifications (%)
Antimony (Sb)	2.50% - 2.75%
Selenium (Se)	0.02% - 0.025%
Arsenic (As)	0.14% - 0.17%
Tin (Sn)	0.18% - 0.22%
Sulphur (S)	0.004% - 0.006%
Copper (Cu)	0.02% - 0.04%

(Application: For making low maintenance & Hybrid batteries)

Lead- 4.0% Antimony Alloy

Elements	Specifications (%)
Antimony (Sb)	4.00%+/-0.250%
Arsenic (As)	0.150%+/-0.025%
Tin (Sn)	0.250%+/-0.050%
Sulphur (S)	0.003% - 0.008%
Copper (Cu)	0.040 – 0.060%

(Application: For making automotive /Tubular batteries)

LEAD SUB-OXIDE

With rich industry experience, we are manufacturing and supplying wide array of Lead Oxide.We are a leading producer of Lead Sub-Oxide, also known as Grey Oxide or Battery Oxide. Lead Oxides is the main raw material for manufacturing battery plates which is the main ingredient in lead acid Batteries and it requires production to strict specifications in which Lead is converted to Lead Sub Oxide in an exothermic process, under conditions of regulated temperature range of 135-145°centigrade and constant airflow. It is used extensively to prepare plates that are used in Lead Acid Batteries. Grey Oxide manufacturing plant uses the Ball Mill processes for operations and refined Lead as an input.

Broad Parameter	Composition in %
Lead Monoxide, PbO(%)	67-72
Free Lead, Pb (%Max)	28-33
Color	Greenish Grey
Apparent Density (AD)	1.4 - 1.6
Retention on 240 Mesh (max %)	9.0 – 11.0
Retention on 325 mesh (max%)	2.0
Acid Absorption (mg/gm)	180-200

ORANGE AND RED LEAD OXIDE

We are also a leading manufacturers of one of the essential ingredient known as Read Lead which is Soft Orange & Red Colored powder. Red Lead is soft orange and red coloured powder. It is an essential ingredient in the storage batteries, glass & ceramic. It occupies an important place in the Glass & Ceramic industry and is used in the Paint Industry for its rust inhibiting character.

Broad Parameter	**Composition in %**
Appearance	Reddish Orange
Total Oxides of Lead (% min)	99.5
Pb304 (% min)	95.44
PbO2 equivalent (% min)	33.3
Apparent density (Scott density) g/ml	1.2 - 1.7
Residue on 300 mesh (% max)	1
Volatile matter (% max)	0.05
Matter soluble in water (% max)	0.5
Water Absorption (mg/g)	105 – 125
Acid Absorption (mg/g)	140 – 170

OUR STRENGTHS

- 12 years of rich experience of the Promoter
- Deep understanding of Business Environment and Dynamics.
- Knowledge and Experience of the Governmental, Municipal and Regulatory framework.
- Strong in-house Engineering, Management and Legal Resources.
- Long-term Relationship with Vendors and Clients.
- Strong Associations and working relations with ULBs and Consultants.
- Firm belief in relations based on Respect, Trust and Integrity.
- Extremely strong management & quality systems in place

PLANT & MACHINERY

We have a manufacturing plant located at Sohna, near Gurgaon (Haryana) in Delhi NCR region. The plant has been set up by using imported as well as indigenous machinery &components which have been bought out from the most reliable sources in the country. All the suppliers have been selected by the company on the basis of their past experience and competitive prices.

Our company has installed the following machinery & equipments:

- Two separate melting pots of 15 MT capacity each for refining & alloying
- One dedicated pot of 6 MT for specialized Calcium Alloy
- Smelter capacity of 15000 MT/per annum
- Rotary Ball Mill of 10 MT capacity with acoustic enclosures
- Cyclone & Bag House Filters
- Spectrometer of Spectrolab Make (Imported from Germany LAB M-10)

For all the indigenous plant and machinery and other assets the suppliers are reputed and tested. The technology available for manufacturing Lead Acid Tubular Batteries are commonly available in India & manufacturing a quality product would dependent on;

- Trained and Efficient Manpower
- High quality machines & equipments
- Quality Raw Material such as Lead, Oxide etc.
- Efficient Process Control
- Regularly Testing Equipments
- Effective Quality Control

UTILITIES & INFRASTRUCTURE FACILITIES

The manufacturing plant has been installed in compliance with applicable rules and regulations. A peripheral green belt is provided along the boundary of the plant. All weather peripheral RCC road is constructed for the ease movement of vehicles and fire tenders in case of any emergency. Underground water storage tank of 1, 00,000 liter capacity and 10,000 liter overhead tanks have been built to cater the requirement of fire fighting system. For utilization of rainwater, a rainwater harvesting system is installed. The facility includes an advanced lab with most sophisticated equipment that is why most reputed Battery manufacturers rely only on our products for their batteries.

HUMAN RESOURCE

Our company has the desired expertise & knowledge to ensure the production of both Lead based products and high quality batteries. The team has wide experience of Lead industry.

Mr. Yogesh Kumar Gupta – Managing Director

Mr. Yogesh Gupta (Company's Managing Director) is heading Starlit's Environmental Engineering Initiatives and Environmental Resource Recycling & Recovery Plants for E Wastes & Lead Acid Batteries. He has the extensive Experience of more than 15 years in Waste Management Projects. He has previously worked as Head of E-Waste Vertical /CEO of M/s Ramky Cimelia E-Waste Management Limited. He had also worked as Deputy Director – Environment in National Productivity Council (Ministry of Commerce and Industry, Government of India) for 12 years.

Mr. Yogesh Gupta possesses Masters Degree in Environmental Engineering and Bachelors Degree in Civil Engineering. He has a good exposure of International practices in waste management as he has participated in various Conferences & Training Programs on Municipal & Hazardous Waste in USA, South Korea, Germany & Switzerland.

Mr.Tarun Garg - Vice President- Sales & Marketing

Mr. Tarun Garg, who is a very seasoned professional with rich experience of more than one & half decade of hard core channel sales & service. After working for various Multi National Companies, Mr. Garg entered the battery trade division starting with Exide Industries around 8 years back and then with two more leading companies. He is thoroughly familiar with the battery industry in Indian Market, with regard to its potentials and geographical.

Ramesh Hanumantrao Joshi – Consultant

The company has engaged the services of Mr. Ramesh H. Joshi as consultant, who is a very experienced and qualified Professional from the battery Industry. Our company has entered into manufacture of Battery project with able assistance of a Lead Principal Consultant, Mr. Ramesh H. Joshi, who has already implemented 2 major Battery Project in Pantnagar (Uttarakhand). Basic designs, manufacturing processes & Technology are

provided by highly experienced Technical Consultant Mr. Joshi, who has 25 years experience of working in reputed Battery companies both in India and Middle East and hands-on experience of designing, implementing and stabilizing manufacturing process in 3 major large-scale battery projects in India and overseas.

Our company has a team of desired expertise & knowledge to ensure the production of high quality products. The Promoters have vide experience of Lead industry.

DEPARTMENT WISE BREAK-UP

Department	Number of Employees
Corporate	1
Production	8
Maintenance	3
Lab	1
Sales & Marketing	13
Administration	8
Accounts	2
Human Resource	2
Procurement	1
Secretarial & Legal	1
Stores	1
Total	**41**

BUSINESS STRATEGY

After studying the market growth for batteries for domestic and Industrial use, our company has decided to venture into manufacture of Batteries under both its own brand name and also undertake projects of OEM and third Party manufacture. The company will be manufacturing Lead Acid Batteries with low maintenance characteristics for Automotive, Inverters, UPS and solar applications both in Tubular and Flat Plates. Our mission is to carry out manufacturing & recycling activities using advanced technologies which conserve the natural resources and protect the Environment, Health and Safety of the persons involved. The technical know-how would help the company to produce quality Batteries to meet customer requirements in line with already established Battery brands in the market. The Power Storage Lead Acid Batteries manufactured by the company will be used in Stationary applications such as Inverters, UPS. The company proposes to install a wide range of Machines to cater to a capacity of 300,000 Batteries p.a. The total cost of the plant & machinery is estimated at Rs. 671.34 Lacs. The establishment of factory for production of batteries is in full swing and we expect our commercial production to be commenced from July 2014 onwards. In our constant quest to use cleaner sources of energy in a cost effective manner, our company is also planning to install Solar Panels to augment its energy supply. We also are going to manufacture both Solar and e-rickshaw batteries which are the growth area in the battery market. There is a bright scope for exports to a large number of markets in Asia and Europe where the battery production has declined owing to stricter pollution norms. We are committed to constantly upgrade our products by continuous Indigenous Research & also by absorption of available technologies from overseas sources.

COMPETITION

The battery market is only controlled by two-three large players which leave room for a regional player offering superior contact and service to the channel partners with a quality product a good possibility. The entry barriers in the Industry to put up a decent plant are rising as the small plants find it difficult to come up consistently with a product giving longevity and quality assurance. With Lead Prices high and volatile, the hand casting and pasting models of battery grids is becoming economically non-feasible and quality wise suspect. Hence a good production facility runs with process and quality consciousness will do well. Volatility of Lead prices however will continue to remain challenging and will call for innovative and pro-active hedging measures. Improving

power availability will affect future inverter sales adversely and this will also affect the inverter battery replacement market. With the growth in the automotive, information & communication technology and infrastructure sectors, the demand for lead is poised to increase and sustain in future. Expansion of Solar energy and e-rickshaws will also provide the fillip. It is expected that down-stream industrial development, improvement in standard of living and consumer awareness is set to further increase the demand for secondary power derived from lead acid batteries in the coming years.

MARKETING

Lead Acid Battery Industry has seen huge evolution in the last decade. Worldwide primary and secondary battery demand is projected to rise at a nearly 7 percent annual pace. Sales increases are also expected to be strong in India. The Indian Lead Acid battery industry is poised to more than double before end of this decade given the current rate of growth of over 25 per cent per annum. This being the case, the aftermarket is definitely striking with its sheer size and is lucrative due to better price and credit realization. But what is significant is that the industrial batteries consumption is going up with the economy booming. This will create opportunities for supply of industrial batteries in the telecom towers, railway usage and in the power sector. In the first phase, the company plans to target the replacement market to satisfy the increasing demand from end users. In the second phase the company plans to move into the Industrial Batteries with an objective to cater OEM & Institutional demand.The marketing strategy of our company revolves round providing quality product to the customer with a very strong back –up of after sales services. Our company does not envisage any problem in marketing its utilized capacities.

INSURANCE

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, explosion, burglary, theft and robbery, which we believe is in accordance with customary industry practices. We have also availed out various insurance policies to cover our vehicles at our all the offices and plants.

Fire Safety:

In order to take effective safety measures against fire hazards in the production / plant area, following steps have been taken:

- Under ground water tank of 1, 00,000 liters and overhead tanks of 10,000 liters have been provided in the plant area.
- Water tanks are connected with 20 hp main pump & 7.5 hp jockey pump and all the pumps are connected with main power & DG set.
- Way fire brigade outlet is provided.
- 3 nos. weather proof hose box have been provided
- 16 nos. ABC type fire extinguishers of 5 kg capacity (ISI Marked) have been provided.
- 4 nos. CO2 type fire extinguishers of 4.5 kg capacity (ISI Marked) have been provided.
- Sand buckets have been provided at critical locations such as DG Set & Transformer area

Electrical & Thermal Safety:

- All the electrical appliance and motors haven connected with appropriate earthing to avoid any electrical shock hazards
- Wiring has been done with ISI marked cables/wires
- All motors have starters with shock proof switches & buttons
- Emergency lightings have been provided in all working areas though UPS/Inverter
- Street light have been provided to illuminate the entire street/internal roads
- Workers are provided with heat/shock resistant hand gloves
- Appropriate safety signage have been provided at critical locations for creating awareness among workers

Mechanical Safety:

- All the machines have been installed at strong foundations to avoid vibrations
- All moving parts in machines have been covered with safety guards
- Workers have been provided with Protective equipment such as industrial safety shoes, mask & helmets
- Appropriate safety signage's have been provided at critical locations for creating awareness among workers
- The motor pulley & belts have been provided with safety guards
- Raised platform are provided with hand rails
- The platform is provided with anti-skid checkered plates

LAND &PROPERTIES

The following table sets for the significant properties owned by us:

Sr. No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (In Rs.)	Date of Purchase	Title
1.	Commercial & Industrial Use	Khewat No. 222/240 Rect. No. 52 Killa No. 4/2 (3-9), 5/2/2 (1-9) 6/2/1 (0-16) 7(8-0) 14/1 (3-15) Aata Tehsil Nuh Distt. Mewat, Haryana	17 Kanal 9 Marla	Mrs. Vijay Laxmi, Mrs. Sarita, Mrs. Meenakshi Garg, Mrs. Nirmala Devi, Mrs. Shailja Garg, Mrs. Nirmala Kumari, Mrs. Prabha Rani Sancholi Tehsil Sohna Distt. Gurgaon	37,08,500	June 27, 2008	Clear
2.	Commercial & Industrial Use	Khwat No. 318/338 Khasra No. 92 (1-0) Aata Tehsil Nuh Distt. Mewat, Haryana	0 Kanal 7 Marla (204 Sq. Yards)	Mrs. Shyamwati Sharma Aata Tehsil Nuh Distt. Mewat, Haryana	4,90,000	October 26, 2012	Clear
3.	Commercial & Industrial Use	Aabadi/Lal Dora Aata Tehsil Nuh Distt. Mewat, Haryana	250 Sq. Yards	Mr. Ompal Sharma Aata Tehsil Nuh Distt. Mewat, Haryana	9,90,000	October 26, 2012	Clear
4.	Commercial & Industrial Use	Aabadi/Lal Dora Aata Tehsil Nuh Distt. Mewat, Haryana	250 Sq. Yards	Mr. Ompal Sharma Aata Tehsil Nuh Distt. Mewat, Haryana	11,83,920	August 24, 2012	Clear
5.	Commercial & Industrial Use	Aata Tehsil Nuh Distt. Mewat, Haryana	0 Kanal 7 Marla (204 Sq. Yards)	Mrs. Shyamwati Sharma Aata Tehsil Nuh Distt. Mewat, Haryana	9,66,080	June 06, 2007	Clear

The following table sets for the properties taken on lease / rent by us:

Sr. No.	Location of the property	Document and Date	Licensor / Lessor	Lease Rent/ License Fee	Lease/License period		Activity
					From	To	
1.	A-1/20, Safdarjung Enclave, New Delhi-110029	Rent Agreement Dated October 10, 2013	Mrs. Purabi Shridhar A1/90, Third Floor, Safdarjung Enclave, New Delhi-110029	Rs. 10,000/- Per Month + Service Tax	October 10, 2013	September 10, 2015	Registered Office
2.	Gala No. 07, bearing Tokare-Khairpada Grampanchyat House No. 1669, Vasai No. 2 (Virar), Taluka-Vasai, Distt. Thane	Leave and Licence Agreement Dated May 10, 2013	Mr. Shailesh K. Agrawal A/103 Jasvanti Garden, Opposite BMC School, Liberty Garden, Malad (West) Mumbai-400064	Rs. 10,000/- Per Month	May 10, 2013	April 09, 2014	Godown

INTELLECTUAL PROPERTY

Our Intellectual Property mainly consists of our rights to use "STARLIT" and "KONSTANT" name & logo. One of our Promoter namely Sachin Shridhar, has filed applications for registration of below stated logo in his name. Our company has been licensed by Mr. Sachin Shridhar for a period of 5 years to use the name and logo in connection with the business of the Company.

Sr. No.	Logo	Date of Application	Application No.	Class	Current Status
1		November 08, 2013	2624636	9	Application Pending with Trademark Authorities
2		November 08, 2013	2624637	9	Application Pending with Trademark Authorities

KEY INDUSTRY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Statutory Approvals" beginning on page 189 of this Draft Prospectus.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 ***("Water Act")***

This is the first specific and comprehensive legislation institutionalizing simultaneously the regulatory agencies for controlling water pollution. Water Act is enacted with the aim of prevention and control of Water Pollution in India. his Act aims at establishment of Central and State level for each state and giving powers to the members so as to enable them to carry out the purposes of the Act. Water Act says that no industry or operator process or any treatment and disposal system can be established without the previous consent of the State Board and no industry or process can discharge sewage or trade effluent into a stream or

THE AIR (PREVENTRION AND CONTROL OF POLLUTION) ACT, 1981 ***("Air Act")***

The Air (Prevention and Control of Pollution) Act, 1981 extends to the whole of India. The Act provides for the prevention, control and abatement of air pollution. The Air Act of 1981, states that all industries operating within designated air pollution control areas must obtain a permit from the state board. The states are also required to provide emission standards for industry and automobiles after consulting the Central Board.

THE ENVIRONMENT PROTECTION ACT, 1986 ***("Environment Protection Act")***

The main objective of this Act is to provide the protection and improvement of environment (which includes water, air, land, human being, other living creatures, plants, micro-organism and properties) and for matters connected therewith. The Act provide power to make rules to regulate environmental pollution, to notify standards and maximum limits of pollutants of air, water, and soil for various areas and purposes, prohibition and restriction on the handling of hazardous substances and location of industries.

The Central Government is empowered to constitute authority or authorities for the purpose of exercising of performing such of the powers and functions , appoint a person for inspection , for analysis or samples and for selection or notification of environmental laboratories. Such person or agency has power to inspect or can enter in the premises or can take samples for analysis.

THE BATTERIES (MANAGEMENT AND HANDLING) RULES, 2001 ***("Batteries Management and Handling Rules")***

The Batteries (Management and Handling) Rules, 2001 is the law governing battery regulation in India. It was issued by the Ministry of Environment and Forests (MoEF) and provided regulations for the management and handling of lead-acid batteries. It set up an extensive reporting system for manufacturers, dealers, importers, recyclers and others in the supply chain of lead-acid batteries and stated the responsibilities of each. MoEF or an agency designated by it tracks the distribution and sale of batteries. It looks into the collection, auction, transport and re-processing of used batteries and sale of re-processed lead by registered recyclers.

THE FACTORIES ACT, 1948 ***("Factories Act")***

This Act extends to the whole of India, including Jammu and Kashmir. Unless otherwise provided, it also applies to factories belonging to the Central and State Governments. The object of the Factories Act of 1948 is (a) To improve health, welfare and safety of the workmen. (b) To regulate by imposing restriction as to hours of work including rest and provisions for availing of leave. (c) To make stringent provisions as regards employment of women and young persons and duration of their work.

THE CENTRAL EXCISE ACT, 1944 ***("Excise Act")***

The Central Excise law is administered by the Central Board of Excise and Customs (CBEC or Board) through its field offices, the Central Excise Commissionerates. Central Excise duty is an indirect tax levied on goods manufactured in India. The tax is administered by the Central Government under the authority of Entry 84 of the Union List (List 1) under Seventh Schedule read with Article 226 of the Constitution of India. The Central Excise duty is levied in terms of the Central Excise Act, 1944 and the rates of duty, ad valorem or specific, are prescribed under the Schedule I and II of the Central Excise Tariff Act, 1985. The taxable event under the Central Excise law is 'manufacture' and the liability of Central Excise duty arises as soon as the goods are manufactured.

THE CUSTOMS ACT, 1962 (*"Customs Act"*)

The Customs Act came into force in India with effect from February 01, 1963. Customs duty is a duty or tax, which is levied by Central Government on import of goods into, and export of goods from, India. It is collected from the importer or exporter of goods, but its incidence is actually borne by the consumer of the goods and not by the importer or the exporter who pays it. These duties are usually levied with ad valorem rates and their base is determined by the domestic value, 'the imported goods calculated at the official exchange rate. Similarly, export duties are imposed on export values expressed in domestic currency

The said Act contains provision for levying of custom duty on imported goods, export goods, goods which are not cleared, goods warehoused or transshipped within specified days after unloading etc. it also provides for storage of imported goods in warehouses pending clearance, for goods in transit etc, subject to prescribed conditions.

THE CENTRAL SALES TAX ACT, 1956 ***("Central Sales Tax Act")***

Central Sales Tax Act 1956 was enacted by the Parliament and received the assent of the president on December 21, 1956. Imposition of tax became effective from July 1, 1957. It extends to the whole of India. Every dealer who makes an inter-state sale must be a registered dealer and a certificate of registration has to be displayed at all places of his business. There is no exemption limit of turnover for the levy of central sales tax. The tax is levied under this act by the Central Government but, it is collected by that state government from where the goods were sold. The tax thus collected is given to the same state government which collected the tax. In case of union Territories the tax collected is deposited in the consolidated fund of India.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 ***("Employees Provident Fund and Miscellaneous Provisions Act")***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees' Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:
(a) The Employees' Provident Fund Schemes, 1952;

(b) The Employees' Pension Scheme, 1995; and
(c) The Employees' Deposit-Linked Insurance Scheme; 1976.
The Central Government has been constituted Employees' Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

MAHARASHTRA VALUE ADDED TAX ACT, 2002

The Act has come into force with effect from 01/04/2005. Thus, from 1-4-2005, sales tax is being collected under VAT system in Maharashtra. As per the provisions of Maharashtra Value Added Tax Act, 2002 (MVAT), a dealer is liable to pay tax on the basis of turnover of sales within the State. Under MVAT Act, 2002, sales tax is payable on all sale of goods effected from the state, whether such goods are manufactured or resold or imported from out of the State of Maharashtra or purchased from registered or unregistered dealer.

HARYANA VALUE ADDED TAX ACT, 2003

In Haryana, Value Added Tax has been introduced in the State from Ist April, 2003. Registration procedure would be very simple. No official of the department will check records or visit business premises of these dealers without prior permission of the Excise & Taxation Commissioner. Unlike most of the States there is no provision for prosecution/criminal proceedings under VAT. The assessment system has been totally streamlined and all cases would be deemed to have been assessed unless taken up for scrutiny by the Department. In case no notice is received within one year from the filing of the last return, the case would stand finalised. Unlike other States Haryana shall continue to have no barrier policy at State borders.

THE BUILDING AND OTHER CONSTRUCTION WORK (REGULATION OF EMPLOYMENT AND CONDITION OF SERVICE) ACT, 1996 ***("Building and Other Construction Work Act")***

This Act extends to the whole of India. It applies to every establishment which employs, or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work. This act regulates the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

MAHARASHTRA STATE TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1975 ***("Maharashtra State Tax on Professions, Trades, Callings and Employments Act")***

Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Profession Tax Act) has come into operation from 01.04.1975.It extends to the whole of the State of Maharashtra. The purpose is to collect revenue for the purpose of implementing Employment Guarantee Scheme. The person liable to Profession Tax has to obtain Enrollment Certificate within 30 days from date of liability. Normally the tax is required to be paid by 30th June of respective financial year. The payment is to be made in challan No. VIII. Facility of payment by electronic mode is not yet started. Salaried persons are also liable to profession tax but their tax is to be deducted and paid by employer.

THE MANUFACTURE, STORAGE AND IMPORT OF HAZARDOUS CHEMICALS RULES, 1989 ***("Manufacture, Storage and Import of Hazardous Chemical Rules")***

Under the provisions of these rules, units engaged in manufacture, storage and import of hazardous chemicals notified under these rules must report in the prescribed form regarding occurrence of an accident that may take place at the storage site of such chemicals. Further, a report on such storage and safety measures for storage of such chemicals must be submitted by the unit in the prescribed form. It is necessary also to prepare on site emergency plan related to storage and submit the same to the authority

THE HAZARDOUS WASTE MANAGEMENT RULES, 1989 ***("Hazardous Waste Management Rules")***

The management, storage and disposal of hazardous waste is regulated by the Hazardous Waste Management Rules, 1989 made under the Environment Protection Act, 1986. The Rules classified the Hazardous Waste into 18 categories based on constituents present in it and quantum of generation. Under these rules the PCBs are empowered to grant authorization for collection, treatment, storage and disposal of hazardous waste, either to the occupier or the operator of the facility.

THE INCOME TAX ACT, 1961 ***("Income Tax Act")***

The government of India imposes an income tax on taxable income of all *persons* including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax b) Self Assessment Tax c) Tax Deducted at Source (TDS) d) Tax Collected at Source (TCS) e) Tax on Regular Assessment.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as Starlit E-Recyclers Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 04, 2008, in Delhi. Subsequently, Our Company was converted into a public limited company vide fresh certificate of incorporation dated January 25, 2012. Further, the name of our Company was changed to "Starlit Power Systems Limited" vide fresh certificate of incorporation dated February 13, 2012 in Delhi.

Initially the registered office of our company was situated at A – 1/51, LGF, Safdarjung Enclave, New Delhi - 110029. Our registered office was shifted to A-1/20, LGF, Safdarjung Enclave, New Delhi- 110029 vide Board Resolution dated October 03, 2013

For information on the Company's activities, market, growth, technology and managerial competence, please see the chapters "Our Management", "Our Business" and "Our Industry" beginning on pages 113, 97 and 84 respectively of this Draft Prospectus.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Calendar Year	Event
March 04, 2008	Our company was incorporated as Starlit E-Recyclers Private Limited
January, 2011	Our Company started Commercial Operations for Lead Refining and got ISO 9001 Certificate
March, 2011	Our Company started Billing in Excise and got ISO 14000 Certificate
May, 2011	Our Company started Development of specialized products like Calcium Alloys
July, 2011	Our Company was awarded first export order worth US $140000
January 25, 2012	Our company was converted into a Public Limited Company
February 13, 2012	The name of Our Company was changed to Starlit Power Systems Limited

OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- To carry on business as manufacturers, stockists, importers, exporters, purchasing, transporting, separating, dismantling, recycling, trading and dealers in Batteries, Batteries with trolley, invertors, solar panels, populated PCB for UPS, populated PCB for invertors, Solar UPS, display card for UPS, display card for invertors, conductors, insulators, transformers, convertors, switch board, cookers, engines, guns, presses, insulating materials and generally electric plant, electrical and electronic waste and various metals, glass, plastic and other fractions and parts which are recovered from electrical and electronic gadgets and appliances and suppliers of descriptions.*
- To establish and operate a unit with appropriate technologies for commercially sustainable recycling of electrical and electronic waste.
- To undertake consultancy and provide such services in the field of waste management in general and e-waste in particular.
- To establish an e-waste park with demo facilities to increase the awareness on the need and requirement for effective e-waste management.
- To collect, dispose, transport, treat and recycle industrial and Bio-medical waste using appropriate technologies like segregation, composting, stabilization, recycling and incineration.

**Our Company had vide special resolutions dated March 04, 2014 adopted the said object as main object of the company. However, the same is pending with Registrar of Companies for its approval.*

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders' Approval	Amendment
June 27, 2008	Clause V of the Memorandum of Association of the company changed to reflect changed capital of the company as Rs. 50,00,000
July 15, 2010	Clause V of the Memorandum of Association of the company changed to reflect changed capital of the company as Rs.1,50,00,000
March 25, 2011	Clause V of the Memorandum of Association of the company changed to reflect changed capital of the company as Rs. 10,00,00,000
January 25,2012	Clause I of the Memorandum of Association of the company changed to reflect changed name of the company as Starlit E-Recyclers Limited on conversion of Company into a Public Company.
February 13, 2012	Clause I of the Memorandum of Association of the company changed to reflect changed name of the company as Starlit Power Systems Limited
March 04, 2014	Clause III of the Memorandum of Association of the company changed to reflect change in Main Objects of the Company. However the same is pending for approval with RoC.

HOLDING COMPANY OF OUR COMPANY

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

SUBSIDIARY COMPANY OF OUR COMPANY

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

INJUNCTIONS OR RESTRAINING ORDERS

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

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 145 of this Draft Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMETS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and Agreement dated October 01, 2013 with Managing Director for his appointment as on the date of filing of this Draft Prospectus.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has made arrangement with Punjab National Bank for availing financial assistance vide Sanction letter dated February March 01, 2013. The Bank has issued us No Objection Certificate in relation to our IPO vide letter dated March 10, 2014.

STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this 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 13 shareholders on date of this Draft Prospectus.

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 12 directors, subject to Sections 252 and 259 of the Companies Act. We currently have 5 Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus other than Directorship in our Company:

Sr. No	Name, Father's/Husband`s Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1.	**Name:** Mr. Yogesh Kumar Gupta **Age:** 46 **Father's Name**: Mr. Abhi Nandan Gupta **Designation:** Managing Director **Address:** DG-II/100-B, Vikas Puri, New Delhi-110018 **Occupation:** Business **Nationality:** Indian **Term:** For 3 Years from October 01, 2013 to September 30, 2016 **DIN:** 00315397	June 12, 2010	1. Sanchit Secfin Limited
2.	**Name:** Mr. Abhay Kumar Chandalia **Age:** 41 **Father's Name:** Mr. Laxmipat Singh Chandalia **Designation:** Chairman & Non-Executive and Independent Director **Address :** 78 Jai Apartment, 102 I.P Extn Patparganj, Delhi- 110092 **Occupation** : Management & Financial Consultant **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 01775323	October 30, 2013	1. AG Infrastructure Private Limited 2. Whiteinc Space Private Limited 3. White Collars Enterprising Private Limited 4. A G Import Export Private Limited
3.	**Name:** Mr. Surinder Pal **Age:** 49 **Father's Name:** Mr. Harbans Lal Kumar **Designation:** Executive Director **Address:** 161 Sainik Vihar, Pitampura,	March 4, 2008	1. Starlit Infrastructure Limited 2. Starlit Finance Limited 3. Lombardi Engineering India Private Limited 4. Starlit Technologies Private

	Delhi-110034 **Occupation:** Business **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 01937783		Limited 5. Institute of Chartered Waste Managers
4.	**Name:** Mr. Kamaljeet Singh Jaswal **Age:** 32 **Father's Name:** Mr. Paramjeet Singh Jaswal **Designation:** Executive Director **Address :** B-10/236, First Floor, East of Kailash, New Delhi-110065 **Occupation** : Service **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 02340493	March 29, 2012	1. Starlit Finance Limited 2. Starlit Infrastructure Limited
5.	**Name:** Mr. Amit Nath Sood **Age:** 53 **Father's Name:** Mr. Pran Nath **Designation:** Non-Executive and Independent Director **Address :** B-7 Extn-17, Safdarjung Enclave, Delhi- 110029 **Occupation** : Business **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 00081072	October 30, 2013	N.A

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Yogesh Gupta is the Managing Director of our Company. He is Head of Manufacturing and Recycling Plant. Mr. Yogesh has Masters Degree in Environment and Bachelors Degree in Civil Engineering. He has the extensive Experience of more than 15 years in Resource Recycling & Refining. He has previously worked as Head of E-Waste Vertical /CEO of M/s Ramky Cimelia E-Waste Management Limited. He had also worked as Deputy Director – Environment in National Productivity Council (Ministry of Commerce and Industry, Government of India) for 12 years. He has a good exposure of International practices in recycling, refining & waste management as he has participated in various Conferences & Training Programs in USA, South Korea, Germany & Switzerland. He has paid a gross remuneration of Rs. 10,00,000 during the Financial Year 2012-13.

Mr. Abhay Kumar Chandalia is the Chairman & Non-Executive and Independent Director of Our Company. He is a Fellow member of Institute of Chartered Accountants in India and Institute of Company secretaries of India. He has also done Masters in Commerce and Business Administration. He has 17 years of rich experience in the industry and has worked for some very renowned companies at top positions. He is an easy going, down to earth, religious and very socially involved in various forums such as Terapanth professional forum and couple of NGOs. He has worked with Eduskill Learning Pvt Ltd as Assistant Vice President and SKIL Himachal Infrastructure & Tourism Limited as Assistant Vice President Finance. In addition to this he was also associated with The LNM Institute of Information Technology, Lahmenyer International Pvt Limited, Zuari Industries Limited and Elin Electronics Limited.

Mr. Surinder Pal is an Executive Director of our Company. He has done B.Tech (Civil), from IIT BHU & M.Tech (Environment Engineering), from IIT Delhi. He served in Municipal Corporation of Delhi (MCD) for 20 years before in pursuit to doing something more meaningful where he would get greater autonomy; he quit and joined as Technical Head of Starlit. In MCD, as a more technically accomplished face of it, he was instrumental in design and successful implementation of privatization of waste management in the Mega city of Delhi. He has contributed many articles on these subjects in leading journals. No remuneration is paid to him during financial year 2012-13.

Mr. Kamaljeet Singh Jaswal is an Executive Director of our Company. He holds a Bachelor Degree in Arts from University of Delhi. He is the backbone of our Company as he oversees efficiently the administration and banking operations. He also has a good knowledge of computers aided creative designing and programs and trusted with variety of jobs as maintaining accounts to getting the systems fixed. He has planned and directed the strategies, development of advertising campaign, creative development for our Company. No remuneration is paid to him during financial year 2012-13.

Mr. Amit Nath Sood is the Non-Executive and Independent Director of Our Company. He has done BA Hons from Hindu College. He has been very active throughout his professional career. He has worked in CGG Pan India Ltd. And Pan India Consultants Private Limited as Liaison Officer and Senior Manager. He was also associated with Neelam International and Electric Construction and Equipment Company Limited. In addition to this he is serving as Representative of India for Fugro Data Services AG, Switzerland since 2007.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. None of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of Our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
6. 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, except Mr. Sachin Shridhar who was director in RDB Rasayans Limited in the past. However he has resigned from the directorship of RDB Rasayans Limited on May 27, 2013. For further details refer Chapter titled "Outstanding Litigation and Material Developments" beginning on the page 185 of this Draft Prospectus.

REMUNERATION / COMPENSATION OF DIRECTORS

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. Except Mr. Yogesh Kumar Gupta who has been paid Gross Compensation of Rs. 10 Lakhs during Fiscal Year 2012-13, none of our Directors had received any remuneration during last three years.

SHAREHOLDING OF OUR 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:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mr. Surinder Pal	1,69,420	3.79	2.77
2.	Mr. Yogesh Kumar Gupta	90,000	2.01	1.47
3.	Mr. Kamaljeet Singh Jaswal	0	0.00	0.00
4.	Mr. Amit Nath Sood	0	0.00	0.00
5.	Mr. Abhay Kumar Chandalia	0	0.00	0.00

INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed

to be interested to the extent of consideration received/paid or any loan or advances provided to anybody corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on page 113 and 143 respectively of this Draft Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "Land & Properties" beginning on page 104 of the Draft Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name	Date of event	Nature of event	Reason
Mr. Kamaljeet Singh Jaswal	March 29, 2012	Appointment	Appointment as Additional Director
Mr. Sachin Shridhar	March 29, 2012	Resignation	Resignation as Director
Mr. Amit Nath Sood	October 30, 2013	Appointment	Appointment as Independent Director
Mr. Rajinder Kumar Goyal	October 30, 2013	Appointment	Appointment as Independent Director
Mr. Abhay Kumar Chandalia	October 30, 2013	Appointment	Appointment as Independent Director
Mr. Kamaljeet Singh Jaswal	October 30, 2013	Change in Designation	Appointment as Executive Director
Mr. Rajinder Kumar Goyal	January 30, 2014	Resignation	Resignation as Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on October 30, 2013 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. 100 Crores**.**

CORPORATE GOVERNANCE

The provisions of the SME listing agreement, to be entered into by our Company with the Stock Exchanges, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders'/ investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME listing agreement.

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, 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 Five Directors. We have one Managing Director, Two Executive Non Independent Directors and Two Independent Non Executive Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

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

A. Audit Committee
B. Shareholders/Investors Grievance Committee

A) Audit Committee

Our Company has constituted an audit committee ***("Audit Committee")***, as per the provisions of Section 292A of the Companies Act, 1956 and Clause 52 of the SME Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on February 03, 2014.

The terms of reference of Audit Committee complies with the requirements of Clause 52 of the SME Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors.

Composition of Audit Committee:

Name of the Director	Status	Nature of Directorship
Mr. Abhay Kumar Chandalia	Chairman	Non-Executive and Independent Director
Mr. Amit Nath Sood	Member	Non-Executive and Independent Director
Mr. Kamaljeet Singh Jaswal	Member	Executive Director

Mr. Abhay Kumar Chandalia is the Chairman of the Audit Committee.

The Company Secretary of the Company acts as the Secretary to the Audit committee.

Role of the audit committee:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions.
    g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval
6. 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.
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. 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.
9. Discussion with internal auditors on any significant findings and follow up there on.

10. 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.

11. 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.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

14. 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.

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

B) **Shareholders / Investors Grievance Committee**

Our Company has constituted a shareholder / investors grievance committee *("Shareholders / 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 November 09, 2013.

Composition of shareholder / investors grievance committee

Name of the Director	Status	Nature of Directorship
Mr. Surinder Pal	Chairman	Executive Director
Mr. Amit Nath Sood	Member	Non-Executive and Independent Director
Mr. Kamaljeet Singh Jaswal	Member	Executive Director

The Shareholder/Investors Grievance Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

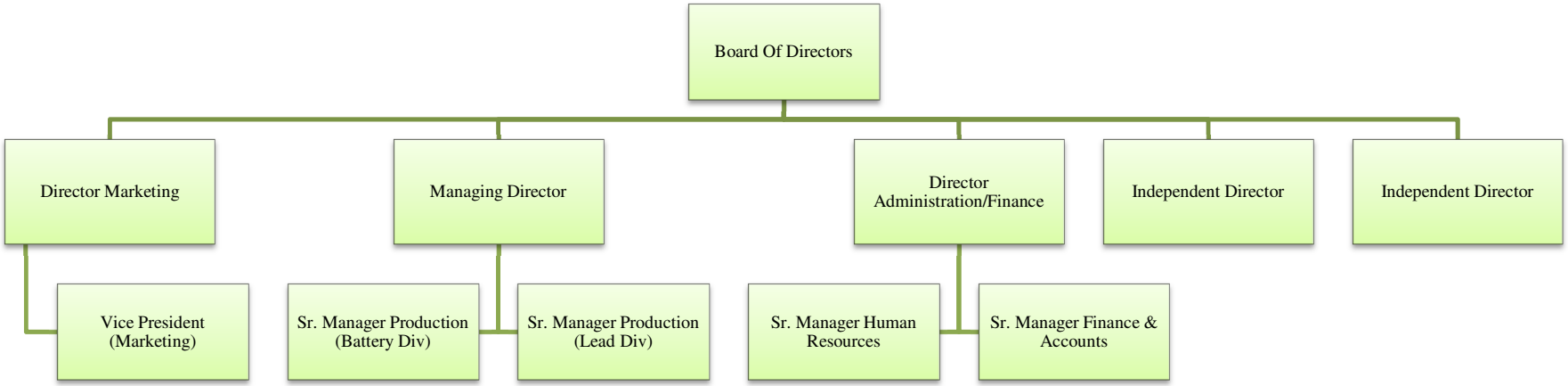
1. Redressal of shareholders'/investors' complaints;
2. Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the Listing Agreement.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchange.

Mr. Balaji, Company Secretary and Compliance Officer, 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.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Mr. Sachin Shridhar *(Promoter)*

Mr. Sachin Shridhar, aged 51 years, is the Promoter of Our Company. He has done B.A. (Hons) in Economics from St. Stephen's College, University of Delhi. He is also an MBA from FMS and completed his LLB from Delhi University. He has vast experience of more than two decades in the industry. He worked with Government of India for 12 Years after which he decided to take a plunge in the rough and tumble of Entrepreneurship. His long professional career gives guidance to his employees in achieving targets in a dynamic and complex business environment. The Gross Compensation paid to him during Fiscal Year 2012-2013 was Nil.

Mr. Tarun Garg *(Vice President- Sales & Marketing)*

Mr. Tarun Garg, aged 39 years, is the Vice President-Sales & Marketing of our Company. He has joined our Company on May 02, 2013. Prior to joining our Company, he was associated with M/s ARB Brearings Limited. He has a decade of experience in the industry. Since he has been appointed on May 02, 2013, therefore no compensation has been paid to him during Fiscal Year 2012-2013.

Mr. Chandan Bakshi *(Manager- Accounts & Taxation)*

Mr. Chandan Bakshi, aged 54 years, is the Manager- Accounts & Taxation of our Company. He has joined our Company on April 01, 2012. He is responsible for looking after all the matters related to Accounts, Direct & Indirect Taxation. Prior to joining our Company he was associated with Ramky Enviro Engineers Limited, Berger Paints India Limited, Paramount Surgimed Limited, Wilway Fort India Limited, International Electron Devices Limited and East & West Constructors & Builders Private Limited. The Gross Compensation paid to him during Fiscal Year 2012-2013 was Rs. 4.59 Lakhs.

Mr. Arvind Kumar *(Manager- Human Resources)*

Mr. Arvind Kumar, aged 39 years, is the Manager- Human Resources. He has joined our Company on June 01, 2013. He is an MBA and has also done B.A (Hons). Since he has been appointed on June 01, 2013, therefore no compensation has been paid to him during Fiscal Year 2012-2013.

Mr. Bala Ji *(Company Secretary)*

Mr. Bala Ji, aged 23 years, is an associate member of Institute of Company Secretaries of India. He has done B.com from University of Delhi. Prior to joining our Company he was working as Managing Trainee in Transport Corporation of India Limited. He has joined our Company on November 09, 2013 and is working as Company Secretary. Since he has been appointed on November 09, 2013, therefore no compensation has been paid to him during Fiscal Year 2012-2013.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel of our Company.

FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the key managerial personnel and Director of our Company. All of Key Managerial Personnel are permanent employee of our company

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Mr. Sachin Shridhar holds 6,80,042 Equity shares of our Company as on the date of this draft prospectus.

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

LOANS TO KEY MANAGERIAL PERSONNEL

Details of loans and advances given to the Key Managerial Personnel as on the date of Draft Prospectus is as under:

Sr.No.	Name of the Key Managerial Personnel	Nature of Transaction	Amount (in Rs.)	Purpose	Repayment Schedule
1.	Mr. Tarun Garg	Interest Free Loan	Rs. 5,00,000	Personal Loan	Rs. 20,000 per month

INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Mr. Chandan Bakshi	Manager- Accounts & Taxation	April 01, 2012	Appointment
Mr. Tarun Garg	Vice President – Sales & Marketing	May 02, 2013	Appointment
Mr. Arvind Kumar	Manager- Human Resources	June 01, 2013	Appointment
Mr. Balaji	Company Secretary	November 09, 2013	Appointed as Company Secretary and Compliance Officer

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled "Related Party Disclosure" in the section titled "Financial Statements" beginning on page 145 of this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTERS AND PROMOTER GROUP

OUR INDIVIDUAL PROMOTER

1. Mr. Sachin Shridhar

DETAILS OF OUR INDIVIDUAL PROMOTER

Mr. Sachin Shridhar is the Promoter of Our Company. He has done B.A. (Hons) in Economics from St. Stephen's College, University of Delhi. He is also an MBA from FMS and completed his LLB from Delhi University. He has vast experience of more than two decades in the industry. He worked with Government of India in Civil Service for 12 Years after which he decided to take a plunge in the rough and tumble of Entrepreneurship. His long professional career gives guidance to his employees in achieving targets in a dynamic and complex business environment. He also founded the first non-profit Private Engineering College Institute of Engineering and Emerging Technologies (IEET) in Himachal and remained its Chairman during the first three years of its functioning.

Particulars	Details
Permanent Account Number	AQGPS1313N
Passport No.	Z2214126
Voter ID	BVX0939074
Driving License No.	N.A
Bank Account Details	A/C No. 0612000103238514 Punjab National Bank Nauroji Nagar, Safdarjung Enclave, New Delhi - 110029

DETAILS OF OUR CORPORATE PROMOTER

1. Starlit Finance Limited

Starlit Finance Limited was incorporated as Tirupati Balaji Finance Company Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 31, 1992, in New Delhi. Subsequently, name of the Company was changed to Starlit Finance Limited vide fresh certificate of incorporation dated September 30, 2009, in New Delhi. The Corporate Identification Number of the Company is U65929DL1992PLC048269. The Registered Office of the Company is situated at A-1/51, LGF Safdarjung Enclave, New Delhi- 110029. The Company is engaged in the business of financing the purchase of or on easy payment system or on hire purchase, household or office furniture, domestic or business appliances, industrial and office plants, machinery, trucks, electricity or any mechanical or other power or device etc.

Particulars	Details
Permanent Account Number	AAACT0483D
CIN	U65929DL1992PLC048269
Bank Account Details	A/C No. 0612002100113562 Punjab National Bank Nauroji Nagar, Safdarjung Enclave, New Delhi - 110029

Board of Directors

The Directors of Starlit Finance Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Mr. Sachin Shridhar	Director
Mr. Kawaljeet Singh Duggal	Director
Mr. Surinder Pal	Director
Mr. Kamaljeet Singh Jaswal	Director

Shareholding Pattern

The Shareholding Pattern of Starlit Finance Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Nissan Vinimay Pvt Ltd	60,000	5.84
2.	Sunman Vincom Pvt Ltd	50,000	4.87
3.	Mascon Fin Pt Ltd	50,000	4.87
4.	Sunshine Consultants Pvt Ltd	20,000	1.95
5.	Zevit Commotrade Pvt Ltd	20,000	1.95
6.	Sachin Shridhar	3,95,700	38.51
7.	Sachin Shridhar HUF	72,880	7.09
8.	Starlit Infrastructure Limited	1,34,500	13.09
9.	Purabi Shridhar	50,500	4.91
10.	Kamaljeet Singh Jaswal	10	0.00
11.	Surinder Pal	10	0.00
12.	Kullu Valley Realty Enterprises	35,000	3.41
13.	Madson Agencies Private Limited	50,000	4.87
14.	Laxman Singh Rawat	5,000	0.49
15.	Amiya Rani Bhattacharya	14,285	1.39
16.	Indira Guha	8,928	0.87
17.	Ratnasree Bhattacharya	3,571	0.35
18.	Ritika Bhattacharya	50,000	4.87
19.	Sukhala Bhattacharya	7,142	0.70

	Total	**10,27,526**	**100.00**

Financial Information

(Rs In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	102.75	83.11	72.61
Reserve (Excluding Revaluation Reserve)	133.44	162.39	111.41
Share Application Money	-	1.75	169.75
Total Income	(21.94)	(6.08)	27.53
Profit after Tax	(64.30)	(43.46)	4.25
Earnings Per Share (Basic) (Rs.)	(6.81)	(6.00)	0.58
Earnings Per Share (Diluted) (Rs.)	(6.81)	(6.00)	0.58
Net worth	236.19	245.50	184.02
Net Asset Value per Share of face value Rs. 10/- (Rs.)	22.99	29.54	25.34

The Income is negative due to loss from commodities trading.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

a) Individual Promoter

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

Sr. No.	Relationship	Mr. Sachin Shridhar
1.	Father	Sh.Sadhu Ram Sharma
2.	Mother	Smt.Santosh Sharma
3.	Spouse	Mrs.Purabi Shridhar
4.	Brother	Mr.Tarun Shridhar
5.	Sister	N.A
6.	Children	Ms.Shrutika Shridhar
7.	Spouse Father	Sh.Premnath Thapa
8.	Spouse Mother	Mrs.Bimla Thapa

9.	Spouse Brother	Mr.Pikraj Thapa
10.	Spouse Sister	Mrs.Paro Thapa

b) Companies and proprietorship firms forming part of our Promoter Group are as follows:

Relationship with Promoter	Individual Promoter	Corporate Promoter
	Mr. Sachin Shridhar	**Starlit Finance Limited**
Any company in which 10% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	1. Lucidues Tech Pvt. Ltd. 2. Starlit Finance Limited 3. Starlit Infrastructure Limited 4. Starlit Realty & Infratech Private Limited 5. Samsing Organic Tead Private Limited 6. Yangtong Organic Tea Private Limited	1. Shobla Hydro Power Pvt. Ltd.
Any company in which a company (mentioned above) holds 10% of the total holding	A. Starlit Finance Limited in:- i. Shobla Hydro Power Pvt. Ltd. ii. Yangtong Organic Tea Private Limited B. Starlit Infrastructure Limited in:- i. Starlit Realty & Infratech Private Limited ii. Starlit Finance Limited iii. Starlit Technologies Private Limited iv. Samsing Organic Tea Private Limited	
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total holding	1. Sachin Shridhar HUF 2. Sachin Shridhar Ram Kumar (AOP) 3. Doon Valley Filling Station 4. People United Knowledge Action & Reform 5. Himachal Education & Learning Park Foundation	

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number of the Promoters (PAN & Bank Account Number in case of Corporate Promoter) will be submitted to the BSE SME Platform, where the securities of our Company are proposed to be listed at the time of submission of Draft Prospectus.

COMMON PURSUITS OF OUR PROMOTERS

None of the Promoter Group Company is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 130 of the Draft Prospectus.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our promoters are Mr. Sachin Shridhar and Starlit Finance Limited. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives 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 which either of them are interested as a director, member or partner.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters together hold 14,25,775 Equity Shares of our Company and are 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 our Promoters does not hold any other interest in our Company.

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 this Draft Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on page 113, 145 and 55 respectively of this Draft Prospectus. Further as on the date of this 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 including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 185 this Draft Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

RELATED PARTY TRANSACTIONS

Except as disclosed in the "Related Party Transactions" beginning on page 143 of this Draft Prospectus, our Company has not entered into any related party transactions with our Promoters.

OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

A. Our Group Entities includes:

1. Starlit Realty & Infratech Private Limited
2. Starlit Technologies Private Limited
3. Shobla Hydro Power Private Limited
4. Lucideus Tech Private Limited
5. Starlit Infrastructure Limited
6. Samsing Organic Tea Private Limited
7. Yangtong Organic Tea Private Limited

B. Other Group Entities include:

1. Sachin Shridhar HUF
2. Doon Valley Filling Station
3. Sachin Shridhar Ram Kumar (AOP)
4. People United For Knowledge, Action And Reforms (Trust)
5. Himachal Education & Learning Park Foundation

The details of Our Group Entities are provided below:

1. Starlit Realty & Infratech Private Limited

Corporate Information

Starlit Realty & Infratech Private Limited was incorporated as RDB Infrastructure Private Limited on May 17, 2005 under the provisions of Companies Act, 1956. Subsequently, name of the Company was changed to Starlit Realty & Infratech Private Limited vide fresh certificate of incorporation dated February 18, 2014, in New Delhi. The Corporate Identification Number of the Company is U45201DL2005PTC136353.The Registered Office of the Company is situated at A-1/51, Safdarjung Enclave, New Delhi-110029.The Company is carrying on the business as owners, builders, colonizers, developers, promoters, proprietors, occupiers, lessors, civil contractors, maintainers and industrial buildings, cinemas, house buildings and to deal in all kind of immovable properties whether belonging to the company or not. Our Promoter Mr. Sachin Shridhar holds 6.47 % in the equity share capital of the Company.

Board of Directors

The Directors of Starlit Realty & Infratech Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Mr. Kamal Kumar Mittal	Director
Mr. Sachin Shridhar	Director

Shareholding Pattern

The Shareholding Pattern of Starlit Realty & Infratech Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	HTC Finance Pvt Ltd	70,000	23.85

2.	Sudhir Sharma	4,000	1.36
3.	IDA Orgonic Pvt Ltd	45,800	15.61
4.	Surinder Pal	1,000	0.34
5.	Sachin Shridhar (HUF)	10,000	3.41
6.	Starlit Infrastructure Ltd	26,000	8.86
7.	Sachin Shridhar	19,000	6.47
8.	Hardeep Jaryal	1,000	0.34
9.	Mascon Finance Pvt Ltd	66,666	22.72
10.	PCM Cement Concrete Pvt Ltd	50,000	17.04
	Total	**2,93,466**	**100.00**

Financial Information

(Rs In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	29.35	17.68	17.68
Share Application Money	-	35.00	20.00
Reserve (Excluding Revaluation Reserve)	51.41	35.05	40.67
Total Income	-	0.20	-
Profit after Tax	(6.97)	(5.61)	(4.39)
Earnings Per Share (Basic) (Rs.)	(2.38)	(3.17)	(2.49)
Earnings Per Share (Diluted) (Rs.)	(2.38)	(3.17)	(2.49)
Net worth	80.76	52.73	58.35
Net Asset Value per Share of face value Rs. 10/- (Rs.)	27.52	29.83	33.00

2. Starlit Technologies Private Limited

Corporate Information

Starlit Technologies Private Limited was incorporated on April 25, 2008 under the provisions of Companies Act, 1956 in Delhi. The Corporate Identification Number of the Company is U72200DL2008PTC177258.The Registered Office of the Company is situated at A-1/51, LGF Safdarjung Enclave, New Delhi-110029.The Company is engaged in establishing, running and carrying on the business of call centre, BPO, KPO, data processing and other it enabled services.

Board of Directors

The Directors of Starlit Technologies Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Mr. Sachin Shridhar	Director
Mr. Anshuman Tiwari	Director
Mr. Surinder Pal	Director

Shareholding Pattern

The Shareholding Pattern of Starlit Technologies Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Starlit Infrastructure Ltd	28,521	71.81
2.	Bhavya Creators Pvt Ltd	11,196	28.19
	Total	**39,717**	**100.00**

Financial Information

(Rs In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	3.97	3.90	3.90
Reserve (Excluding Revaluation Reserve)	25.53	25.30	25.94
Total Income	0.00	0.00	0.00
Profit after Tax	(0.20)	(0.20)	(0.22)
Earnings Per Share (Basic) (Rs.)	(0.51)	(0.52)	(0.56)
Earnings Per Share (Diluted) (Rs.)	(0.51)	(0.52)	(0.56)
Net worth	29.50	29.20	29.85
Net Asset Value per Share of face value Rs. 10/- (Rs.)	74.28	74.79	76.45

3. Shobla Hydro Power Private Limited

Corporate Information

Shobla Hydro Power Private Limited was incorporated on October 15, 2004 under the provisions of Companies Act, 1956 in Himachal Pradesh. The Corporate Identification Number of the Company is U40101HP2004PTC027582. The Registered Office of the Company is situated at Hotel Shobla International, Dhalpur District Kullu, Himachal Pradesh -175101.The Company is engaged in the business to buy, sell, resell, acquire, use, transmit and to act as agents, brokers, representatives, consultants, collaborators or otherwise to deal in electric power at such places as may permitted by appropriate authorities by establishment of hydro power plants , based on any source of energy as may be developed or

invented in future.Our Promoters Mr. Sachin Shridhar and Starlit Finance Limited holds 6.25% and 12.43% respectively in the equity share capital of the Company.

Board of Directors

The Directors of Shobla Hydro Power Private Limited as on the date of this Draft Prospectus is as follows:

Name	Designation
Mr. Harshvardhan Ashok Piramal	Director
Mr. Mahesh Shrikrishna Gupta	Director
Mr. Sachin Shridhar	Director
Mr. Pramod Kumar Akhramka	Director
Mr. Sunder Singh Thakur	Director

Shareholding Pattern

The Shareholding Pattern of Shobla Hydro Power Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Sunder Singh Thakur	5,12,500	12.09
2.	Eshaan Thakur	64,000	1.51
3.	Sachin Shridhar	2,65,000	6.25
4.	Starlit Infrastructure Limited	5,61,000	13.23
5.	Starlit Finance Limited	5,27,000	12.43
6.	Sachin Shridhar HUF	65,000	1.53
7.	Purabi Shridhar	50,000	1.18
8.	Indira Thakur	1,20,000	2.83
9.	Piramal Renewable Energy Pvt Ltd	20,75,294	48.95
	Total	**42,39,794**	**100.00**

Financial Information

(Rs In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	423.99	216.45	176.15
Reserve (Excluding Revaluation Reserve)	67.35	(14.82)	(1.42)
Share Application Money	374.09	455.00	-

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Total Income	0.61	3.23	22.36
Profit after Tax	(17.86)	(16.26)	0.33
Earnings Per Share (Basic) (Rs.)	0.00	0.00	0.00
Earnings Per Share (Diluted) (Rs.)	0.00	0.00	0.00
Net worth	491.33	201.63	174.41
Net Asset Value per Share of face value Rs. 10/- (Rs.)	11.59	9.32	9.90

4. Lucideus Tech Private Limited

Corporate Information

Lucideus Tech Private Limited was incorporated on May 15, 2012 under the provisions of Companies Act, 1956 in West Bengal. The Corporate Identification Number of the Company is U72200WB2012PTC181708.The Registered Office of the Company is situated at 390 A, Jodhpur Park, Kolkata West Bengal- 700068. The Company is engaged in carrying on the business of computer consultancy, develop computer software, export and import of information technology related product and services, to undertake business of all information technologies enabled services. Our Promoter Mr. Sachin Shridhar holds 42.41 % in the equity share capital of the Company.

Board of Directors

The Directors of Lucideus Tech Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Mr. Sunil Kumar Modi	Director
Mr. Saket Modi	Director

Shareholding Pattern

The Shareholding Pattern of Lucideus Tech Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Saket Modi	5,000	2.62
2.	Sunil Modi	5,000	2.62
3.	Starlit Infrastructure Limited	50,000	26.18
4.	Sachin Shridhar	81,000	42.41
5.	Purabi Shridhar	50,000	26.18
	Total	**1,91,000**	**100.00**

Financial Information

(Rs In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	1.00	N.A	N.A
Reserve (Excluding Revaluation Reserve)	(13.40)	N.A	N.A
Total Income	3.18	N.A	N.A
Profit after Tax	(13.40)	N.A	N.A
Earnings Per Share (Basic) (Rs.)	(66.35)	N.A	N.A
Earnings Per Share (Diluted) (Rs.)	(66.35)	N.A	N.A
Net worth	(12.40)	N.A	N.A
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(124.02)	N.A	N.A

5. Starlit Infrastructure Limited

Corporate Information

Starlit Infrastructure Limited was incorporated as Starlit Mercantile Company Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated April 23, 1985, in Delhi. Subsequently, the name of the Company was changed to "Starlit Infrastructure Limited" vide fresh certificate of incorporation dated February 16, 2007 in Delhi.The Corporate Identification Number of the Company is U52110DL1985PLC020755.The Registered Office of the Company is situated at A-1/51, LGF Safdarjung Enclave, New Delhi-110029. The Company is engaged in carrying on the business of real estates, builders, residential and commercial complexes, cineplexes and industrial buildings and to deal in all types of immovable properties whether belonging to the company or not. Our Promoters Mr. Sachin Shridhar holds 17.46 % in the equity share capital of the Company.

Board of Directors

The Directors of Starlit Infrastructure Limited as on the date of this Draft Prospectus is as follows:

Name	Designation
Mr. Sachin Shridhar	Director
Mr. Surinder Pal	Director
Mr. Kamaljeet Singh Jaswal	Director

Shareholding Pattern

The Shareholding Pattern of Starlit Infrastructure Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Sachin Shridhar	71,107	17.46

2.	Sachin Shridhar (HUF)	47,050	11.55
3.	Purabi Shridhar	53,900	13.24
4.	Tarun Shridhar	3,450	0.85
5.	Dr. Meenakshi Kumar	10,343	2.54
6.	Kuldeep Thakur	2,200	0.54
7.	Santosh Sharma	91,950	22.58
8.	Reena Bansal	4,000	0.98
9.	Wexfort Marketing	5,000	1.23
10.	Blue Chip Finance Consultants Pvt Ltd.	20,000	4.91
11.	Sunman Vincom Pvt Ltd.	20,000	4.91
12.	Sunshine Consultants Pvt Ltd.	40,000	9.82
13.	Zevit Commotrade Pvt Ltd.	30,000	7.37
14.	Sudhir Sharma	8,241	2.02
	Total	**4,07,241**	**100.00**

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	40.72	39.90	72.40
Reserve (Excluding Revaluation Reserve)	334.42	326.10	313.39
Share Application Money	25.00	32.50	-
Total Income	72.61	89.87	92.77
Profit after Tax	1.60	12.75	6.71
Earnings Per Share (Basic) (Rs.)	0.40	3.19	1.68
Earnings Per Share (Diluted) (Rs.)	0.40	3.19	1.68
Net worth	375.14	366.04	385.79
Net Asset Value per Share of face value Rs. 10/- (Rs.)	92.12	91.74	53.29

6. Samsing Organic Tea Private Limited

Corporate Information

Samsing Organic Tea Private Limited was incorporated on May 28, 2009 under the provisions of Companies Act, 1956 in Kolkata, West Bengal. The Corporate Identification Number of the Company is U01132WB2009PTC135479.The Registered Office of the Company is situated at 4A, Pollock Street, 410 Swaika Centre, 4th Floor Kolkata, West Bengal. The Company is engaged in carrying on the business of planters, growers, curers, processors, merchants, distributors, agents and exporters/importers of organic agricultural products. Our Promoter Mr. Sachin Shridhar holds 11.67 % in the equity share capital of the Company.

Board of Directors

The Directors of Samsing Organic Tea Private Limited as on the date of this Draft Prospectus is as follows:

Name	Designation
Rajesh Kumar Agarwal	Director
Narayan Chandra Das	Director
Hari Prasad Paudel	Director

Shareholding Pattern

The Shareholding Pattern of Samsing Organic Tea Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Sanjay Prakash Bansal	9,95,000	33.17
2.	Reena Bansal	5,000	0.16
3.	HTC Finance Private Limited	10,00,000	33.33
4.	Starlit Infrastructure Limited	6,50,000	21.67
5.	Sachin Shridhar	3,50,000	11.67
	Total	**30,00,000**	**100.00**

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	300.00	300.00	300.00
Reserve (Excluding Revaluation Reserve)	(808.21)	(586.47)	(180.95)
Share Application Money	-	-	275.00

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Total Income	551.75	863.73	1048.18
Profit after Tax	(221.74)	(405.52)	(176.30)
Earnings Per Share (Basic) (Rs.)	(7.39)	(14.00)	(6.00)
Earnings Per Share (Diluted) (Rs.)	(7.39)	(14.00)	(6.00)
Net worth	(508.21)	(286.47)	119.05
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(16.94)	(9.54)	3.97

7. Yangtong Organic Tea Private Limited

Corporate Information

Yangtong Organic Tea Private Limited was incorporated on May 28, 2009 under the provisions of Companies Act, 1956 in Kolakata, West Bengal. The Corporate Identification Number of the Company is U01132WB2009PTC135478.The Registered Office of the Company is situated at 4A, Pollock Street, 410 Swaika Centre, 4th Floor Kolkata, West Bengal. The Company is engaged in carrying on the business of planters, growers, merchants, distributors, agents and exporters/importers of organic agricultural products. Our Promoter Starlit Finance Limited holds 33.33% in the equity share capital of the Company.

Board of Directors

The Directors of Yangtong Organic Tea Private Limited as on the date of this Draft Prospectus is as follows:

Name	Designation
Rajesh Kumar Agarwal	Director
Narayan Chandra Das	Director
Hari Prasad Paudel	Director

Shareholding Pattern

The Shareholding Pattern of Yangtong Organic Tea Private Limited as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Shareholder	Number of shares	Percentage (%)
1.	Sanjay Prakash Agarwal	5,000	0.67
2.	Reena Bansal	5,000	0.67
3.	HTC Finance Private Limited	2,40,000	32.00
4.	Motilal Makhanlal Holdings Private Limited	2,50,000	33.33
5.	Starlit Finance Limited	2,50,000	33.33

	Total	**7,50,000**	**100.00**

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	75.00	75.00	75.00
Reserve (Excluding Revaluation Reserve)	(200.75)	(69.89)	-
Total Income	84.11	573.72	465.72
Profit after Tax	(130.86)	(82.90)	13.01
Earnings Per Share (Basic) (Rs.)	(17.45)	(11.05)	1.82
Earnings Per Share (Diluted) (Rs.)	(17.45)	(11.05)	1.82
Net worth	(125.75)	5.11	75.00
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(16.77)	0.68	10.00

Other Group Entities:

1. Sachin Shridhar HUF

Sachin Shridhar HUF was created on April 01, 1999. The HUF's office is situated at 176, Gulmohar Enclave, New Delhi- 110029.

Members of Sachin Shridhar HUF

HUF has Mr. sachin Shridhar as karta and Mrs. Purabi Shridhar, wife and Ms. Shrutika Shridhar, Daughter, as members. As on September 30, 2013, HUF has one Karta and two members.

Sr. No.	Particulars	Status
1.	Sachin Sridhar	Karta
2.	Purabi Shridhar	Member
3.	Shrutika Shridhar	Member

Financial Performance

(Rs. In lakhs)

Particulars	For the Financial Year ended March 31		
	2013	2012	2011
Gross Income	7.67	7.82	4.72
Profit/loss After Tax	7.08	7.12	4.50
Capital	64.81	56.17	46.79

2. Doon Valley Filling Station

Doon Valley Filling Station is a partnership firm which has been formed on June 26, 2004 by Mr. Sachin Shridhar and Mr. Ram Kumar to enter into the business of retailership of petrol by the means of applying for and procuring the dealership of a petrol pump and subsequently entering into other area of business as they may wish to jointly enter into from time to time. The petrol pump is situated at Nawan Nagar, Tehsil Kalka, Distt Panchkula, Haryana..

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Capital	108.24	85.43	69.86
Total Income	12.80	13.61	13.61
Net Profit	12.80	13.61	15.85

3. Sachin Shridhar Ram Kumar (AOP)

Sachin Shridhar & Ram Kumar is AOP and having rental income from immovable properties, situated in Baddi, Himachal Pradesh.

Details of Members of AOP

Sr. No.	Name of Member	Share (%)
1.	Sachin Shridhar	67
2.	Ram Kumar	33
	Total	**100**

4. People United For Knowledge Action And Reforms (Trust)

This trust was created by Mr. Sachin Shridhar on December 08, 2008. The registered office of the trust is situated at A-1/51, Safdarjung Enclave, New Delhi-110029. The object of the trust is to carry out various activities and programmes for bringing relief to the poor through focus on appropriate social and economic action, focus on non-consumerist lifestyle, bio-diversity and sustainable conservation, promotion of renewable sources of energy, environment, equity and gender sensitivity in the use of natural resources better engagement with the Government Bodies and spreading awareness on these issues.

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Capital	0.01	0.01	0.01
Total Income	0.01	0.07	0.04

5. Himachal Education & Learning Park Foundation

Himachal Education & Learning Park Foundation is a Section 25 not for profit organisation. Currently the Company is not carrying on any activity.

Financial Information

(Rs. In lakhs)

Particulars	March 31, 2013	March 31, 2012	March 31, 2011
Equity Capital	1.00	1.00	1.00
Reserve (Excluding Revaluation Reserve)	(1.32)	(1.00)	(0.69)
Total Income	-	-	-
Profit after Tax	(0.32)	(0.32)	(0.30)
Earnings Per Share (Basic) (Rs.)	(3.2)	(3.2)	(3.00)
Earnings Per Share (Diluted) (Rs.)	(3.2)	(3.2)	(3.00)
Net worth	(0.32)	(0.007)	(0.31)
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(3.2)	(0.07)	(3.1)

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 Group Entities has a negative net worth as on the date of this Draft Prospectus except Lucideus Tech Private Limited, Samsing Organic Tea Private Limited and Yangtong Organic Tea Private Limited.

INTERESTS OF OUR GROUP COMPANIES

None of our Group Companies are interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 145 of the Draft Prospectus and to the extent of their shareholding in our Company. Our Group Companies do not have any other interest in our Company, including in relation to property or land acquired by our Company. Further, we have entered into Rent agreement dated October 10, 2013, with Mrs. Purabi Shridhar for using their premises as the registered office of our Company with monthly rent of Rs. 10,000 plus Service Tax.

SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There is no winding up proceedings against any of the Promoter Group Entities. None of the Group Entities has a negative net worth as on the date of this Draft Prospectus except Lucideus Tech Private Limited, Samsing Organic Tea Private Limited and Yangtong Organic Tea Private Limited. Further, no application has been made by any of them to RoC to strike off their names.

LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 185 of this Draft Prospectus.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoter has not disassociated himself from any of the companies/partnership firms during preceding three years except as follows:

Name of Promoter	Details of Entity	Date of Disassociation	Reason for Disassociation
Mr. Sachin Shridhar	1. Skil-Himachal Infrastructure and Tourism Limited 2. Starlit Power Systems Limited 3. Yangtong Organic Tea Private Limited 4. Samsing Organic Tea Private Limited 5. Bamandanga Tea Estates Private Limited 6. Lombardi Engineering India Private Limited 7. RDB Rasayans Limited	1. March 16, 2011 2. March 29, 2012 3. October 09, 2012 4. October 09, 2012 5. October 09, 2012 6. December 11, 2012 7. May 27, 2013	1. Resignation as Director 2. Resignation as Director 3. Resignation as Director 4. Resignation as Director 5. Resignation as Director 6. Resignation as Director 7. Resignation as Director

SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

There have been no sales/purchases between our Company and Group Entities during the financial year 2012-13. For further details please refer to chapter titled 'Related Party Transactions' beginning on page 143 of this Draft Prospectus.

COMMON PURSUITS

None of our Group Entities have objects similar to that of our Company's business. Currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XI of restated financial statement under the section titled, '*Financial Statements*' beginning on page 145 this Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend in the previous five Financial Years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

SECTION V – FINANCIAL INFORMATION

STAND ALONE FINANCIAL INFORMATION, AS RESTATED IN RELATION TO PROSPECTUS

Auditor's Report

To
The Board of Directors,
Starlit Power Systems Limited

Dear Sirs,

1) We have examined the attached financial information of M/s Starlit Power Systems Limited (the company), as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part II of Schedule II of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date (SEBI ICDR Regulations) and in terms of our engagement agreed upon with you in connection with the proposed issue of Equity shares of the Company.

2) These information have been extracted by the Management from the financial statements for the year ended 31st March, 2009, 2010, 2011, 2012 and 2013 and for the period ended 30th September 2013. Audit for the financial year ended 31st March, 2009 & 2010 was conducted by auditors M/s Sunil Arora & Associates and for the financial year ended 31st March 2011, 2012 and 2013 and for the period ended 30th September 2013 was conducted by us M/s D M And Company and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years i.e. 2009, 2010, 2011, 2012 and 2013 and for the period ended 30th September 2013 are based solely on the report submitted by the auditors. We have also confirmed that the restated financial information has been made after incorporating:

   a) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

   b) Adjustments for the material amounts in the respective financial years to which they relate.

   c) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

3) We have also examined the financial information of the Company prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company. The financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Engagement Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

   In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of M/s Starlit Power Systems Limited, We, M/s V. K. Sehgal & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the "Peer Review Board" of the ICAI.

   Based on the above, we report that in our opinion and according to the information and explanations

given to us, we have found the same to be correct and the same have been accordingly used in the financial information appropriately.

4) In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the SEBI Guidelines and terms of our engagement agreed with you, we further report that:

a) The Restated Summary Statement of Assets and Liabilities of the Company, including as at 31st March, 2009 & 2010 examined and reported upon by M/s Sunil Arora & Associates, on which reliance has been placed by us, and as at 31st March, 2011, 2012, 2013 and for the period ended 30th September 2013 was conducted by DM & Company and who have submitted their report on which reliance has been placed by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies

b) The Restated Summary Statement of Profit or Loss of the Company for the year then ended, including for the year ended 31st March, 2009 and 2010 examined by M/s Sunil Arora & Associates and who have submitted their report on which reliance has been placed by us, and for the year ended 31st March, 2011, 2012, 2013 and for the period ended 30th September 2013 was conducted by DM & Company and who have submitted their report on which reliance has been placed by us as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies.

c) The Restated Summary Statement of Cash flow of the Company for the year then ended, including for the year ended 31st March, 2009 and 2010 examined by M/s Sunil Arora & Associates and who have submitted their report on which reliance has been placed by us, and for the year ended 31st March, 2011, 2012 and 2013 and for the period ended 30th September 2013 was conducted by DM & Company and who have submitted their report on which reliance has been placed by us, as set out in Annexure to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies

d) Based on above and also as per the reliance placed on the reports submitted by the previous auditor, M/s Sunil Arora & Associates and M/s DM & Company, for the respective years, we are of the opinion that the restated financial information have been made after incorporating:

   i) Adjustments for the changes in accounting policies retrospectively in respective financial years to effect the same accounting treatment as per changed accounting policy for all the reporting periods.

   ii) Adjustments for the material amounts in the respective financial years to which they relate.

   iii) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments

e) We have also examined the following other financial information set out in annexure prepared by the management and approved by the Board of Directors relating to the Company for the year ended 31st March, 2009, 2010, 2011, 2012, 2013 and for the period ended 30th September 2013. These information have been included based upon the reports submitted by previous auditor M/s Sunil Arora & Associates and DM & Company relied upon by us.

(i) Statement of Assets and Liabilities, as Restated of the Company as at 31st March 2009, 2010, 2011, 2012, 2013 and period ended 30th September , 2013 **(Annexure "I")**

(ii) Statement of Profits and Losses, as Restated of the Company for the financial year(s) ended on 31st March 2009, 2010, 2011, 2012 , 2013 and period ended 30th September, 2013 for the period ended **(Annexure "II");**

(iii) Standalone Summary Statement of Cash Flows, as Restated for the financial year(s) ended on 31st March 2009, 2010, 2011, 2012, 2013 and period ended 30th September, 2013 **(Annexure "III");**

(iv) Statement of Significant Accounting Policies **(Annexure "IV")**

(v) Notes to the Restated Financial Statements **(Annexure "V")**

(vi) Statement of long term borrowings **(Annexure "VI")**.

(vii) Statement of Short term Loans & Advances **(Annexure "VII")**

(viii) Statement of Long term Loans & Advances **(Annexure "VIII")**.

(ix) Statement of Trade Receivables showing Age-wise analysis from the date they are due for payment **(Annexure "IX")** .

(x) Statement of Other Income **(Annexure "X")**.

(xi) Related Party Disclosures under Accounting Standard 18 **(Annexure "XI")**.

(xii) Summary of Accounting Ratios based on the adjusted profits/losses, relating to earnings per share, net asset value per share and return on net worth **(Annexure "XII").**

(xiii) Earning Per Share **(Annexure "XIII").**

(xiv) Statement of Capitalization as at 30th September, 2013 (Pre-Issue **(Annexure "XIV")**.

(xv) Statement of Tax Shelter **(Annexure "XV").**

(xvi) Statement of Financial Indebtedness **(Annexure "XVI").**

In our opinion the financial information contained in **Annexure I** to **XVI** of this report read along with the Significant Accounting Policies and Notes (**Refer Annexure IV & V**) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Part IIB of Schedule II of the Act and the ICDR Regulations.

5) Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed issue of equity shares of the Company. Our report and should not be used for any other purpose except with our consent in writing. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Reg. No. 011519N

Naresh Kumar
(Partner)
M.No. 097505

Place: New Delhi
Date: 25th February 2014

ANNEXURE – I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March					As at 30th September 2013
			2009	2010	2011	2012	2013	
A.	**Equity and Liabilities**							
1.	**Shareholders' Funds**							
	Share Capital	**2.1**	31.26	31.26	219.88	226.88	313.84	313.84
	Reserves & Surplus	**2.2**	10.72	11.81	9.12	37.74	67.97	78.81
	Share application money pending allotment		-	28.00	-	8.50	-	106.00
2.	**Non-Current Liabilities**							
	Long-term borrowings	**2.3**	-	-	38.04	103.02	408.64	393.58
	Deferred Tax Liabilities (Net)	**2.27**	0.36	0.24	4.08	5.09	9.76	9.76
	Other Long Term Liabilities	**2.4**	-	-	-	-	-	-
	Long Term Provisions	**2.5**	-	-	-	-	-	-
3.	**Current Liabilities**							
	Short Term Borrowings	**2.6**	-	-	115.24	332.43	252.39	643.43
	Trade Payables	**2.7**	0.30	0.24	9.76	15.64	153.93	833.61
	Other Current Liabilities	**2.8**	0.00	0.02	2.92	6.39	16.51	61.87
	Short Term Provisions	**2.9**	-	-	0.13	10.82	10.60	4.85
	Total		**42.64**	**71.56**	**399.18**	**746.52**	**1,233.63**	**2,445.74**
B.	**Assets**							
4.	**Non-Current Assets**							
	Fixed Assets		-	-	-	-	-	-
	Tangible Assets	**2.10**	41.19	69.06	196.52	222.05	519.88	913.07
	Intangible Assets							
	Capital Work In Progress							
	Non - Current Investments		-	-	-	-	-	-
	Deferred Tax Assets (Net)		-	-	-	-	-	-
	Long Term Loans and Advances	**2.11**	-	-	0.29	14.59	131.61	178.37
	Other Non Current Assets		-	-	-	-	-	-

Sr. No.	Particulars	Note No.	As at 31st March					As at 30th September 2013
			2009	2010	2011	2012	2013	
5.	**Current Assets**							
	Inventories	**2.12**	-	-	72.69	162.67	225.38	356.60
	Trade Receivables	**2.13**	-	-	105.95	271.19	338.42	880.97
	Cash and Cash Equivalents	**2.14**	1.45	2.39	3.27	2.96	3.07	7.45
	Short-term loans and advances	**2.15**	-	0.12	20.46	73.06	15.27	109.28
	Other Current Assets		-	-	-	-	-	-
	Total		**42.64**	**71.56**	**399.18**	**746.52**	**1,233.63**	**2,445.74**

ANNEXURE – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. in Lakhs)

Sr. No	Particulars	Notes No.	For The Year Ended March 31,					For the Year Ended 30th September 2013
			2009	2010	2011	2012	2013	
A.	**Revenue:**							
	Revenue from Operations (gross)	**2.16**	-	2.73	148.04	2,140.52	3,428.15	3,590.05
	Less: Excise Duty		-	-	0.62	176.11	370.71	217.51
	Revenue from operations (net)		-	2.73	147.42	1,964.41	3,057.44	3,372.54
	Other income	**2.17**	-	0.01	0.94	0.37	0.75	10.83
	Total revenue		**-**	**2.74**	**148.35**	**1,964.78**	**3,058.18**	**3,383.37**
B.	**Expenses:**							
	Cost of material Consumed	**2.18**	-	-	167.13	1,728.07	2,775.24	3,259.56
	Purchase of stock-in-trade							
	Changes in inventories of Finished goods, work-in-progress	**2.19**	-	-	(58.85)	(18.36)	(34.45)	(78.05)
	Employee benefit expenses	**2.20**	-	-	9.27	28.72	28.87	14.17
	Finance costs	**2.21**	0.01	0.08	6.03	54.44	98.15	49.32
	Depreciation and amortization expense	**2.10**	-	0.01	11.15	23.36	27.06	17.50
	Other expenses	**2.22**	3.73	1.68	12.47	107.62	118.19	105.18
	Total Expenses		**3.75**	**1.76**	**147.20**	**1,923.85**	**3,013.06**	**3,367.68**
	Profit/(loss) before tax		**(3.75)**	**0.98**	**1.15**	**40.93**	**45.13**	**15.69**
	Tax expense :							
	Current tax		-	-	-	10.82	10.60	4.85
	MAT Credit		-	-	-	0.36	-	-
	Prior Period Taxes		-	-	-	0.12	(0.36)	-
	Deferred Tax		0.36	(0.12)	3.84	1.01	4.66	-
	Fringe Benefit Tax							
	Profit/(loss) For the year		**(4.11)**	**1.09**	**(2.68)**	**28.62**	**30.23**	**10.84**
	Earning per equity							

	share:							
	(1) Basic		-	0.35	-	1.29	0.97	0.35
	(2) Diluted		-	0.35	-	1.29	0.49	0.35

ANNEXURE – III

STATEMENT OF CASH FLOW FROM RESTATED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For The Year Ended March 31,					For The Period Ended 30th Sept 2013
	2009	2010	2011	2012	2013	
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	**(3.75)**	**0.98**	**1.15**	**40.93**	**45.13**	**15.69**
Adjustments for:						
Depreciation	-	0.01	11.15	23.36	27.06	17.50
Interest Expense	0.01	0.08	6.03	60.17	103.55	49.38
Provision for Doubtful Debts						
Fixed Asset Written Off						
Interest Received	-	-	-	-	-	-
Loss/(Profit) on Sale of Fixed Assets						
Preliminary Expenses written off	1.57	-	-	-	-	-
Operating profit before working capital changes	**(2.16)**	**1.06**	**18.33**	**124.46**	**175.74**	**82.57**
Movements in working capital :						
(Increase)/ Decrease in Inventories	-	-	(72.69)	(89.98)	(62.71)	(131.22)
(Increase)/Decrease in Trade Receivables	-	-	(105.95)	(165.24)	(67.23)	(552.33)
(Increase)/Decrease in Other Receivables	-	(0.12)	(20.63)	(66.90)	(59.23)	(140.78)
Increase(Decrease) in Trade Payables and Other Liabilities	(0.36)	(0.04)	12.43	9.35	148.41	725.04
Cash generated from operations	**(2.52)**	**0.90**	**(168.51)**	**(188.32)**	**134.98**	**(16.71)**
Income tax Refund/ (paid) during the year	-	-	-	(0.64)	(9.92)	0.16
Net cash from operating activities (A)	**(2.52)**	**0.90**	**(168.51)**	**(188.96)**	**125.06**	**(16.55)**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed assets (including capital advances)	(41.19)	(27.88)	(145.85)	(51.14)	(327.06)	(411.87)
Purchase of Long Term Investment	-	-	-	-	-	-
Sale of Fixed Assets	-	-	7.24	2.25	2.17	0.21
Interest Received	-	-	-	-	-	-
Net cash from investing activities (B)	**(41.19)**	**(27.88)**	**(138.61)**	**(48.89)**	**(324.89)**	**(411.66)**
Proceeds from issue of share capital/application money	45.56	28.00	160.74	15.51	77.92	106.00
Interest paid on borrowings	(0.01)	(0.08)	(6.03)	(60.14)	(103.55)	(49.38)
Proceeds of Short Term Loans	-	-	115.24	217.19	-	391.05
Proceeds of Long Term Loans	-	-	38.04	64.98	305.62	-
Repayment of Short Term Borrowing	(1.44)	-	-	-	(80.05)	-
Repayment of Long Term Borrowing	-	-	-	-	-	391.05
Net cash from financing activities (C)	**44.11**	**27.92**	**308.00**	**237.54**	**199.94**	**432.60**

Net increase in cash and cash equivalents (A+B+C)	**0.41**	**0.95**	**0.87**	**(0.31)**	**0.11**	**4.38**
Cash and cash equivalents at the beginning of the year	**1.04**	**1.45**	**2.39**	**3.27**	**2.96**	**3.07**
Cash and cash equivalents at the end of the year	**1.45**	**2.39**	**3.27**	**2.96**	**3.07**	**7.45**

ANNEXURE – IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Preparation of Financial Statements**
   These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values (if any). GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. **Use of Estimates**
   The preparation of financial statements requires estimates and assumptions to be made that the effect reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. **Accounting for Fixed Assets**
   Fixed assets are stated at their cost of construction or acquisition less depreciation, amortization and impairment loss, if any. All costs attributable to bring the fixed assets to a working condition are capitalized. MODVAT/CENVAT availed for purchase of fixed assets is deducted from the cost, in respect of certain land, cost of development is capitalized.

4. **Intangible Assets**
   Intangible Assets are stated at cost of acquisition less accumulated amortization.

5. **Depreciation Accounting**
   i) Depreciation on fixed assets is provided at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 on written down value method unless where depreciation is provided on straight line method.
   ii) Individual Assets costing less than Rs.5,000/- are depreciated in full in the year of purchase. iii) Intangible assets are amortized over a period of 5 Years.

6. **Impairment of Assets**
   The carrying amounts of assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized, whenever the carrying cost of assets exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value of assets in use, the estimates future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value or the respective assets.

7. Foreign Currency Transactions

i) Foreign Currency transactions are recorded at the exchange rates prevailing at the date of the transaction.

ii) Monetary items denominated in foreign currencies are reported using the closing rate at the year end. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) The gains and losses arising out of settlement or on translation is recognized as income/expenditure, as the case may be, in the statement of profit and loss.

8. Accounting for Investments

i) As a conservative and prudent policy, the Company does not provide for increase in the value of individual investments held by it on the date of Balance Sheet.

ii) Current investments are carried at lower of cost or market value.

9. Inventories

i) Inventories are valued at lower of cost or net realizable value except for Scrap. Scrap is valued at net realisable value. Cost is determined using first-in-first-out (FIFO) method.

ii) Stationery, Uniforms, Medical expenses are charged off to the revenue at the time of purchase

10. Revenue Recognition

a. Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.
b. Dividend income is recognized when right to receive dividend is established.
c. Interest income is recognized on accrual basis.
d. Tax deducted at source thereon is treated as advance tax.

11. Events occurring after Balance Sheet Date

i) Assets and liabilities are adjusted for events occurring after Balance sheet date that provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.

ii) Dividends which are proposed / declared by the company after the balance sheet date but before approval of financial statements are adjusted.

12. Employees Retirement Benefits

i) Provident Fund: The company is not registered with Provident Fund so accordingly no contributions are done.

ii) Superannuation Fund: Company has no superannuation fund in place.

iii) Gratuity and Leave Encashment: No provisions for Gratuity and Leave encashment are made.

13. Borrowing Cost

Borrowing costs, attributable to qualifying assets, are capitalized up to the date the assets are ready to put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit and loss.

14. Operating Lease

Lease Payments/ Rentals under operating leases are expensed with reference to the terms of lease and other considerations.

15. Accounting for Taxes on Income

i) Provision for current tax is made on the basis of estimated tax payable on income for the relevant accounting year in accordance with the Income Tax Act, 1961.

ii) The deferred tax liability on account of timing differences between the book profits and the taxable profits for the year is accounted for using the tax rates as applicable as on the balance sheet date.

iii) Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that these would be realised in future.

16. Earning Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

17. Provisions, Contingent Liabilities and Contingent Assets

i) A present obligation, which could be reliably estimated, is provided for in the accounts, if it is probable that an outflow of resource embodying economic benefit will be required for its settlement.

ii)Contingent liabilities are disclosed by way of notes to the Balance Sheet.

iii) Contingent assets are neither recognized nor disclosed.

NOTES TO RESTATED FINANCIAL STATEMENTS

Note 2.1: Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Authorized:	**50.00**	**50.00**	**1,000.00**	**1,000.00**	**1,000.00**	**1,000.00**
Issued, Subscribed and Paid Up	**31.26**	**31.26**	**219.88**	**226.88**	**313.84**	**313.84**
Grand Total	**31.26**	**31.26**	**219.88**	**226.88**	**313.84**	**313.84**

Note 2.2: Reserves and Surplus

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Share Premium Account						
Balance as at the beginning of the year	15.30	15.30	15.30	15.30	15.30	15.30
Add: Shares Premium received during the year	-	-	-	-	-	-
Balance as at the end of the year	**15.30**	**15.30**	**15.30**	**15.30**	**15.30**	**15.30**
Balance in Statement of Profit & Loss						
Balance as at the beginning of the	(0.47)	(4.58)	(3.49)	(6.17)	22.44	52.67

year						
Add: Profit for the year	(4.11)	1.09	(2.68)	28.62	30.23	10.84
Balance as at the end of the year	**(4.58)**	**(3.49)**	**(6.17)**	**22.44**	**52.67**	**63.51**
Grand Total	**10.72**	**11.81**	**9.12**	**37.74**	**67.97**	**78.81**

Note 2.3: Long Term Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Secured:						
Term Loan						
From Banks	-	-	38.04	60.81	48.69	42.32
From Others						
Vehicle Loan	-	-	-	7.21	9.26	5.57
Unsecured:						
Bonds/debentures	-	-	-	-	305.00	305.00
Loans & Advances from Related Parties						
From Others	-	-	-	35.00	45.69	40.69
Grand Total	**-**	**-**	**38.04**	**103.02**	**408.64**	**393.58**

Note 2.27: Deferred Tax Assets/(Liabilities) (Net)

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	A s at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Deferred Tax Assets						
Disallowance u/s 40a(ia)						
Disallowance u/s 43B						
Provision for Gratuity						
Total (a)	-	-	-	-	-	-
Deferred Tax Liability						
Preliminary expenses	0.36	0.24	-	-	-	-
Related to Fixed Assets	-	-	4.08	5.09	9.76	9.76
Disallowance under the Income Tax Act						
Total (b)	0.36	0.24	4.08	5.09	9.76	9.76

Net deferred tax asset/(liability)-{(a)-(b)}	**(0.36)**	**(0.24)**	**(4.08)**	**(5.09)**	**(9.76)**	**(9.76)**

Note 2.4: Other Long-Term Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
	-	-	-	-	-	-

Note 2.5: Long Term Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
	-	-	-	-	-	-

Note 2.6: Short Term Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Loans Repayable on Demand From Banks From other Parties	-	-	115.24	332.43	252.39	643.43
	-	**-**	**115.24**	**332.43**	**252.39**	**643.43**

Note 2.7: Trade Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Micro, small and medium enterprises Others	0.30	0.24	9.76	15.64	153.93	833.61
	0.30	**0.24**	**9.76**	**15.64**	**153.93**	**833.61**

Note 2.8: Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Interest accrued but not due from						

borrowings from holding and ultimate holding company						
Withholding and other taxes payable	-	0.02	0.51	0.94	10.83	50.69
Expenses Payable	-	-	2.41	5.45	5.67	11.18
	-	**0.02**	**2.92**	**6.39**	**16.51**	**61.87**

Note 2.9: Short Term Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Provision for Income Tax	-	-	0.13	10.82	10.60	4.85
Provision for gratuity	-	-	-	-	-	-
Provision for compensated absence	-	-	-	-	-	-
Grand Total	**-**	**-**	**0.13**	**10.82**	**10.60**	**4.85**

Note 2.10: Fixed Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Tangible Assets						
Industrial Plot at Sohna						
Gross Block	41.19	41.19	41.19	41.19	57.21	57.21
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	41.19	41.19	41.19	41.19	57.21	57.21
WIP						
Gross Block	-	27.75	-	-	214.14	475.51
Less: Accumulated Depreciation		-			-	-
Net Block	-	27.75	-	-	214.14	475.51
Building at Sohna						
Gross Block	-	-	86.72	86.72	86.93	133.50
Less: Accumulated Depreciation			6.06	14.12	21.39	24.67
Net Block	-	-	80.66	72.59	65.54	108.83
Motor Cycle						
Gross Block	-	-	0.42	0.42	0.42	0.21
Less: Accumulated Depreciation	-	-	0.01	0.11	0.19	0.21
Net Block	-	-	0.42	0.31	0.23	-
Laboratory Equipments						
Gross Block	-	-	0.10	0.10	0.10	0.10
Less: Accumulated Depreciation			0.00	0.02	0.03	0.03
Net Block	-	-	0.10	0.08	0.07	0.07

Office Equipments						
Gross Block	-	-	5.47	5.89	6.39	6.54
Less: Accumulated Depreciation	-	-	0.18	0.97	1.65	1.98
Net Block	-	-	5.30	4.92	4.74	4.56
Plant & Machinery						
Gross Block	-	0.13	59.04	98.49	175.93	274.17
Less: Accumulated Depreciation	-	0.01	3.86	14.77	27.83	38.13
Net Block	-	0.12	55.18	83.71	148.10	236.05
Computer						
Gross Block	-	-	2.08	2.20	3.07	5.12
Less: Accumulated Depreciation	-	-	0.22	0.97	1.68	1.96
Net Block	-	-	1.86	1.23	1.39	3.16
Furniture & Fixtures						
Gross Block	-	-	3.42	3.42	3.70	5.12
Less: Accumulated Depreciation	-	-	0.14	0.73	1.23	1.96
Net Block	-	-	3.29	2.69	2.47	3.16
Electric Installation						
Gross Block	-	-	9.24	8.46	9.93	12.13
Less: Accumulated Depreciation	-	-	0.71	2.47	3.61	4.18
Net Block	-	-	8.53	5.99	6.32	7.95
Telephone						
Gross Block	-	-	-	0.13	0.15	0.15
Less: Accumulated Depreciation	-	-	-	0.02	0.03	0.04
Net Block	-	-	-	0.11	0.12	0.11
Truck						
Gross Block	-	-	-	9.17	9.17	9.17
Less: Accumulated Depreciation	-	-	-	0.29	2.95	3.88
Net Block	-	-	-	8.88	6.22	5.29
Mould						
Gross Block	-	-	-	0.39	0.39	0.39
Less: Accumulated Depreciation	-	-	-	0.05	0.09	0.11
Net Block	-	-	-	0.34	0.30	0.28
Motor Car						
Gross Block	-	-	-	-	6.77	6.77
Less: Accumulated Depreciation	-	-	-	-	0.12	0.98
Net Block	-	-	-	-	6.65	5.79
Tractor						
Gross Block	-	-	-	-	3.16	3.16
Less: Accumulated Depreciation	-	-	-	-	0.36	0.78
Net Block	-	-	-	-	2.80	2.38
Generator						
Gross Block	-	-	-	-	3.91	3.91
Less: Accumulated Depreciation	-	-	-	-	0.36	0.61
Net Block	-	-	-	-	3.55	3.30

UPS						
Gross Block	-	-	-	-	0.03	0.07
Less: Accumulated Depreciation	-	-	-	-	0.00	0.00
Net Block	-	-	-	-	0.03	0.07
Water Pump						
Gross Block	-	-	-	-	-	-
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	-	-	-	-	-	-
Total Tangible Assets	**41.19**	**69.06**	**196.52**	**222.05**	**519.88**	**913.07**

Note 2.11: Long Term Loans and Advances

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
(Unsecured and considered good, unless otherwise stated)						
Capital Advances	-	-	-	14.25	97.27	99.40
Security deposits	-	-	0.29	0.34	12.54	11.24
Loans and Advances to Related Parties						
Other Loans and Advances	-	-	-	-	21.80	67.73
Grand Total	**-**	**-**	**0.29**	**14.59**	**131.61**	**178.37**

Note 2.12: Inventories

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
(at cost or net realisable value, whichever is lower)						
Raw material	-	-	13.85	85.47	113.73	166.89
Work-in-progress	-	-	29.31	68.80	105.52	42.74
Finished goods	-	-	29.54	8.41	6.14	146.97
Goods-in-transit (raw material)	-	-	-	-	-	-
Stores and spares	-	-	-	-	-	-
Fuel	-	-	-	-	-	-
Warehouse	-	-	-	-	-	-

Grand Total	**-**	**-**	**72.69**	**162.67**	**225.38**	**356.60**

Note 2.13: Trade Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
(Unsecured and considered good, unless otherwise stated)						
Outstanding for a period less than six months from the date they are due for payment	-	-	105.95	257.70	306.27	880.97
Outstanding for a period exceeding six months from the date they are due for payment	-	-	-	13.49	32.15	-
Grand Total	**-**	**-**	**105.95**	**271.19**	**338.42**	**880.97**

Note 2.14: Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Cash on hand	1.30	0.96	0.74	0.31	0.01	3.77
Balances with banks:						
-in current accounts	0.16	0.42	0.20	0.15	0.37	0.99
-fixed deposits (less than 12 months maturity)						
Other bank balances:						
-fixed deposits (with maturity more than 12 months)	-	1.01	2.34	2.49	2.69	2.69
Grand Total	**1.45**	**2.39**	**3.27**	**2.96**	**3.07**	**7.45**

Note 2.15: Short Term Loans and Advances

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
(Unsecured and considered good, unless otherwise stated)						
Loans and Advances to Related Parties	-	-	-	-	-	-
Others	-	-	13.93	55.34	8.05	13.20
Balances with Revenue Authorities		0.12	6.53	14.98	7.15	95.03
TDS	-	-	-	0.54	0.07	0.16
Prepaid expenses	-	-	-	2.20	-	0.90
	-	**0.12**	**20.46**	**73.06**	**15.27**	**109.28**
Other current assets						
Unsecured:						
Interest accrued but not due on fixed deposits	-	-	-	-	-	-
Misc. Expenditure						
(to the extent not written off or adjusted)	-	-	-	-	-	-
Preliminary Expenses	-	-	-	-	-	-
Opening Balance	1.57					
Less: Written Off during the year	1.57					

Note 2.16: Revenue from Operations

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Sale of Products	-	-	141.97	2,132.53	3,427.77	3,586.02
Sale of Services	-	2.65	-	-	-	-
Other operating revenue	-	0.08	-	-	-	-
Revenue from operations (gross)	**-**	**2.73**	**148.04**	**2,140.52**	**3,428.15**	**3,590.05**

Note 2.17: Other Income

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Interest Income	-	0.01	0.94	0.37	0.75	10.83
Dividend Income	-	-	-	-	-	-
Net Gain/Loss on Sale of Investments	-	-	-	-	-	-
Other Non Operating Income	-	-	-	-	-	-
Grand Total	**-**	**0.01**	**0.94**	**0.37**	**0.75**	**10.83**

Note 2.18: Cost of materials consumed

(Rs. In lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Raw material consumed						
Inventory at the beginning of the year	-	-	-	13.85	85.47	113.73
Add: Purchase	-	-	180.97	1,799.69	2,803.50	3,312.72
	-	**-**	**180.97**	**1,813.53**	**2,888.97**	**3,476.56**
Less: inventory at the end of the year	-	-	13.85	85.47	113.73	166.89
Grand Total	**-**	**-**	**167.13**	**1,728.07**	**2,775.24**	**3,259.56**

Note 2.19: Decrease in Stock

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30 2013
Opening Stock						
Work in progress	-	-	-	29.31	68.80	105.52
Finished Goods	-	-	-	29.54	8.41	6.14
Traded goods	-	-	-	-	-	-
Closing Stock						

Work in progress	-	-	29.31	68.80	105.52	42.74
Finished Goods	-	-	29.54	8.41	6.14	146.97
Traded goods						
Grand Total	**-**	**-**	**(58.85)**	**(18.36)**	**(34.45)**	**(78.05)**

Note 2.20: Employee benefit expense

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Salaries, bonus and allowances	-	-	8.97	26.14	27.44	13.66
Contribution to provident and other funds						
Gratuity	-	-	-	-	-	-
Leave encashment	-	-	-	-	-	-
Staff & worker Welfare	-	-	0.30	2.57	1.44	0.50
Grand Total	**-**	**-**	**9.27**	**28.72**	**28.87**	**14.17**

Note 2.21: Finance costs

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Interest Expenses	0.01	0.08	6.03	60.17	103.55	49.38
Other Borrowing Costs	-	-	-	-	-	-
Applicable Net Gain/Loss on Foreign Currency Transactions and Translations	-	-	-	(5.72)	(5.40)	(0.06)
Grand Total	**0.01**	**0.08**	**6.03**	**54.44**	**98.15**	**49.32**

Note 2.22: Other Expenses

(Rs. In Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30 2013
Power and Fuel	-	-	4.19	28.69	52.07	24.63
Travelling and conveyance	0.05	0.13	1.09	5.23	5.85	3.07
Legal and professional	0.09	0.31	0.50	2.77	1.32	0.59
Payment to auditors						
-audit fees	0.10	0.06	0.11	0.33	0.33	0.33
-tax audit fees	0.06	0.03	0.11	0.11	0.11	0.11
-Company Law Matters	0.04	0.03	0.02	0.11	0.11	0.11
-Management Services	-	-	-	0.11	0.11	0.11
-Other Services	-	-	0.02	0.09	0.09	0.09
-reimbursement of expenses	-	-	-	-	-	-
Interest on late payment of taxes	-	-	-	0.10	0.20	0.79
Preliminary Exp. Written off	1.57	-	-	-	-	-
Rent	-	-	-	-	0.35	3.76
Freight	-	0.99	0.55	15.65	13.45	6.72
Profit/Loss on Trading of Lead	-	-	-	17.38	(2.51)	-
Repairs and maintenance						
-plant and machinery	-	-	0.07	2.74	2.38	1.19
-others	-	-	0.15	1.68	8.09	2.28
Communication	-	-	0.21	0.65	1.59	0.56
Advertisement	-	-	-	-	1.60	-
Commission & Brokerage	-	-	-	-	-	0.58
Security	0.72	-	1.11	2.60	1.34	0.91
Rebates & Discounts	-	-	-	-	-	0.63
Printing & Stationery	0.01	0.01	0.10	0.34	0.50	0.55
Donation	-	-	-	-	-	0.33
Postage & Courier Exp	0.07	-	-	-	-	0.52
Sales promotion	-	-	0.28	1.22	0.28	0.01
Membership & Subscription fees	-	0.01	0.27	1.03	2.77	1.97
Insurance	-	0.04	0.21	1.26	1.75	0.32
Miscellaneous	-	-	1.36	1.49	1.84	1.64

Consumables	-	-	0.17	5.34	8.99	3.20
Clearing & Forwarding	-	-	0.88	10.44	13.74	50.18
Rates & Taxes	1.02	0.07	1.08	8.28	1.84	-
Grand Total	**3.73**	**1.68**	**12.47**	**107.62**	**118.19**	**105.18**

ANNEXURE V –

NOTES TO RESTATED FINANCIAL STATEMENTS

1. **Contingent liability**
   i) Estimated amount of Contracts remaining to be executed on capital account and not provided for - Rs. Nil
   ii)Claims against the company not acknowledged as debts-Rs. Nil.

2. **Operating Lease Arrangements**
   The company has not entered into any operating lease arrangements.

3. In the opinion of the Board, the Current assets, Loans & Advances are realisable at a value, which is at least equal to the amount, at which these are stated, in the ordinary course of business.

4. Debtors and creditors balances are subject to reconciliation / confirmation. However, in the opinion of the management, these will not have any significant impact on the profit for the year and on the net worth of the Company as on balance sheet date.

5. The company have Issued, subscribed and paid up shares As at March 31, 2011, 2I.981akhs (As at March 31, 2010: 3.12 lakhs) of Rs. 10 each (As at March 31,2010: Rs 10 each). The Company has sufficient autborized share capital as at As at March 31, 2011, Rs. 1,000 lakhs (As at March 31, 2010: Rs. 50 lakhs) to issue equity shares.

6. The Company has made trading in the commodities witb Pace stock broking & has incurred a loss of s. 17.38 Lakhs during the FY 2011-12& a profit of Rs. 2.51 Lakhs during the FY 2012-13.

7. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid / payable under the Act has not been given.

8. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

ANNEXURE VI –

STATEMENT OF LONG TERM BORROWINGS AS RESTATED

(Rs. In Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Secured:						
Term Loan from Punjab National Bank	-	-	38.04	60.81	48.69	42.32
Vehicle Loan from HDFC Bank & Kotak Mahindra Bank	-	-	-	7.21	9.26	5.57
Unsecured:						
Bonds/debentures	-	-	-	-	305.00	305.00
Loans & Advances from Related Parties						
From Others	-	-	-	35.00	45.69	40.69
TOTAL	**-**	**-**	**38.04**	**103.02**	**408.64**	**393.58**

ANNEXURE VII –

STATEMENT OF SHORT TERM LOANS & ADVANCES AS RESTATED

(Rs. In Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
(Unsecured and considered good, unless otherwise stated)						
Loans and Advances to Related Parties						
Others	-	-	13.93	55.34	8.05	13.20
Balances with Revenue Authorities		0.12	6.53	14.98	7.15	95.03
TDS	-	-	-	0.54	0.07	0.16
Prepaid expenses	-	-	-	2.20	-	0.90
TOTAL	**-**	**0.12**	**20.46**	**73.06**	**15.27**	**109.28**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

ANNEXURE VIII –

STATEMENT OF LONG TERM LOANS & ADVANCES AS RESTATED

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Unsecured and considered good						
Security deposits	-	-	0.29	0.34	12.54	11.24
Capital Advances	-	-	-	14.25	97.27	99.40
Loan to Directors	-	-	-	-	-	-
Loan to Others	-	-	-	-	21.80	67.73
Tax Deducted at Source						
Less: Provision for Income Tax						
2007-08	-	-	-	-	-	-
2008-09	-	-	-	-	-	-
2009-10	-	-	-	-	-	-
2010-11	-	-	-	-	-	-
2011-12	-	-	-	-	-	-
2012-13	-	-	-	-	-	-
TOTAL	**-**	**-**	**0.29**	**14.59**	**131.61**	**178.37**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

ANNEXURE IX –

STATEMENT OF TRADE RECEIVABLES AS RESTATED

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Unsecured and considered good,						
Less than six months	-	-	105.95	257.70	306.27	880.97
More than six months	-	-	-	13.49	32.15	-
Unsecured considered doubtful						
More than six months	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-
TOTAL	**-**	**-**	**105.95**	**271.19**	**338.42**	**880.97**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

ANNEXURE X –

STATEMENT OF OTHER INCOME AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sep 30, 2013
Interest Income	-	0.01	0.94	0.37	0.75	10.83
TOTAL	**-**	**0.01**	**0.94**	**0.37**	**0.75**	**10.83**

ANNEXURE XI –

STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. List of Related Parties and Relationships

Particulars	
Names of related parties and description of relationship	
Key Managerial Personnel	Sachin Shridhar
	Yogesh Kumar Gupta
	Kamaljeet Singh Jaswal
Enterprise under significant influence of Key Management Personnel	Starllit Infrastructure Ltd
	Starlit Finance Ltd
Relatives of Promoter/Director	Purbi Shridhar

B. Details of Related Party Transactions are as follows

(Rs. In Lakhs)

Nature of the Transaction	Name of Party	Nature of Relationship	Year Ended March 31					Sept 30
			2009	2010	2011	2012	2013	2013
Directors Remuneration	Yogesh Kumar Gupta	Managing Director	-	-	-	8.40	10.00	5.60
Loan & Advances given during the year	Starllit Infrastructure Ltd	Enterprise where key management personnel exercise significant influences	-	-	-	33.85	115.00	-
	Sachin Shridhar	Promoter	-	-	-	2.00	3.00	0.05
	Purbi Shridhar	Relative of Promoter	-	-	-	-	-	6.00
	Starlit Finance Ltd	Enterprise where key management personnel exercise significant influences	-	-	-	40.00	4.00	-

	Yogesh Kumar Gupta	Managing Director	-	-	-	-	1.20	0.05
	Starlit Realty & Infratech Pvt Ltd	Enterprise where key management personnel exercise significant influences	-	-	-	24.50	-	-
Loans & Advances received during the year	Starllit Infrastructure Ltd	Enterprise where key management personnel exercise significant influences	-	-	-	33.85	115.00	-
	Sachin Shridhar	Promoter	1.23	-	-	2.00	3.00	5.00
	Purbi Shridhar	Relative of Promoter	-	-	-	-	-	6.00
	Surinder Pal	Director	0.21	-	-	-	-	-
	Starlit Finance Ltd	Enterprise where key management personnel exercise significant influences	-	-	-	40.00	4.00	-
	Yogesh Kumar Gupta	Managing Director	-	-	-	-	1.20	-
Reimbursement of expenses	Starllit Infrastructure Ltd	Enterprise where key management personnel exercise significant influences	-	-	0.24	-	0.48	-
	Yogesh Kumar Gupta	Managing Director	-	-	0.62	0.72	1.88	-
	Kamaljeet Singh Jaswal	Director	-	-	-	-	0.10	0.25
	Sachin Shridhar	Promoter	-	-	-	1.17	-	1.10

Interest Paid	Sachin Shridhar	Promoter	-	-	-	-	1.13	-

C. Outstanding Balance as at the end of the year

(Rs in Lakhs)

Nature of the Transaction	Name of Party	Nature of Relationship	As at 31 March					As at 30 Sept
			2009	2010	2011	2012	2013	2013
Receivable	Kamaljeet Singh Jaswal	Director	-	-	-	-	0.03	0.05
	Yogesh Kumar Gupta	Managing Director	-	-	-	-	-	0.05
Payable	Yogesh Kumar Gupta	Managing Director	-	-	0.32	-	1.29	0.95
	Sachin Shridhar	Promoter	-	-	-	-	-	6.05
	Kamaljeet Singh Jaswal	Director	-	-	-	-	-	-

ANNEXURE XII –

SUMMARY OF ACCOUNTING RATIOS

Ratios	Year ended March, 31st 2009	Year ended March, 31st 2010	Year ended March, 31st 2011	Year ended March, 31st 2012	Year ended March, 31st 2013	Half Year ended Sept, 30th 2013
Restated PAT as per P& L Account	(4.11)	1.09	(2.68)	28.62	30.23	10.84
Weighted Average Number of Equity Shares at the end of the Year	312,608	312,608	2,198,828	2,268,828	3,138,438	3,138,438
Net Worth	41.98	43.07	229.00	264.62	381.81	392.65
Earnings Per Share						
Basic	(1.31)	0.35	(0.12)	1.29	0.97	0.35
Diluted	(1.31)	0.35	(0.12)	1.29	0.49	0.35
Return on Net Worth (%)	(9.79)	2.53	(1.17)	10.82	7.92	2.76
Net Asset Value Per Share (Rs)	13.43	13.78	10.41	11.66	12.17	12.51
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

ANNEXURE XIII –

EARNING PER SHARE

(Rs. in lakhs)

Particulars	As at March 31, 2009	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at Sept 30, 2013
Weighted Average Number of Shares of Rs. 10/- each	3.13	3.13	21.99	22.69	31.38	31.38
Number of shares at the end of the year	3.13	3.13	21.99	22.69	31.38	31.38
Weighted Average Number of Equity Shares outstanding during the year	3.13	3.13	21.99	22.69	31.38	31.38
Net profit after Tax available for Equity Shareholders	(4.11)	1.09	(2.68)	28.62	30.23	10.84
Earning Per Share (Basic)	(1.31)	0.35	(0.12)	1.30	0.96	0.35

Formula:

1.	Earnings Per Share (Rs.)	Net Profit attributable to Equity Shares / Weighted Average Number of Equity Shares Outstanding during the period
2.	Return on Net Worth (%)	Net Profit after Tax Adjustments / Net worth at the end of the year/ period
3.	Net Asset Value Per Share	Net Worth excluding Revaluation Reserve at the end of the period / Total Number of Equity Shares Outstanding at the end of the year/period
4.	Net Assets	Equity Share Capital plus reserves and Surplus less Misc. Expenditure to the extent

ANNEXURE XIV - STATEMENT OF CAPITALISATION

(Rs. in Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	Debts		
A	Long Term Debt	393.58	393.58
B	Short Term Debt	643.43	643.43
C	**Total Debt**	**1037.01**	**1037.01**
	Equity Shareholders Funds		
	Equity Share Capital	313.84	611.59
	Reserves and Surplus	78.81	442.27
D	**Total Equity**	**392.65**	**1053.86**
E	**Total Capitalisation**	**1429.66**	**2090.87**
	Long Term Debt/ Equity Ratio (A/D)	1.00	0.37
	Total Debt/ Equity Ratio (C/D)	2.64	0.98

ANNEXURE - XV

STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,					For the Year Ended Sep 30, 2013
	2009	2010	2011	2012	2013	
Profit before tax as per books (A)	(3.75)	0.98	1.15	40.93	45.13	15.69
Tax Rate (%)	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Tax at notional rate on profits	Nil	0.30	0.36	12.65	13.94	4.85
Adjustments:						
Permanent Differences (B)						
Disallowable Expenditure						
Expenses disallowed under the Income Tax Act, 1961	2.59	-	1.13	5.89	1.67	-
Total Permanent Differences (B)	**2.59**	**-**	**1.13**	**5.89**	**1.67**	**-**
Income considered separately (C)	**-**	**-**	**0.94**	**-**	**-**	**-**
Timing Differences (D)						
Difference between tax depreciation and book depreciation	-	(0.00)	(13.20)	(3.28)	(15.10)	-
Provision for Gratuity & Leave encashment disallowed	-	-	-	-	-	-
Difference due to expenses allowable/disallowable u/s Income Tax	(0.39)	(0.39)	-	-	-	-
Total Timing Differences (D)	**(0.39)**	**(0.40)**	**(13.20)**	**(3.28)**	**(15.10)**	**-**
Net Adjustments E= (B-C+D)	**2.20**	**(0.40)**	**(13.00)**	**2.62**	**(13.43)**	**-**
Tax expense/(saving) thereon	0.68	(0.12)	(4.02)	0.81	(4.15)	-
Income from Other Sources (F)	**-**	**-**	**0.94**	**-**	**-**	**-**
Loss Set Off (G)	-	0.58	-	11.21	-	-
Income/(loss) (A+E+F-G)	**(1.55)**	**0.00**	**(10.92)**	**32.34**	**31.70**	**15.69**
Taxable Income/ (Loss) as per MAT	(3.75)	0.98	1.15	40.93	45.13	15.69
Income Tax as returned/computed	NIL	0.17	0.21	9.99	9.79	4.85
Tax paid as per normal or MAT	NIL	NIL	MAT	NORMAL	NORMAL	NORMAL

ANNEXURE - XVI

STATEMENT OF FINANCIAL INDEBTEDNESS

Name of Bank	Loan No.	Facility Key term			Outstanding as on September 30, 2013 (In Rs.)	Security
		Loan Amount (In Rs.)	Rate of Interest (%)	Total Term (Months)		
Punjab National Bank	061200IC00000047	76,66,361	15.25	84	42,31,715	First Charge on all Fixed/Block Assets & Hypothecation of all types of Stocks and Book Debts
HDFC Bank	23888589	4,00,000	11.00	36	3,51,985	Hypothecation of vehicles
Punjab National Bank	0612008700136879	4,90,00,000	14.00	-	6,43,43,213	Hypothecation of goods, debts and current assets
Kotak Mahindra Bank	CV-2497093	7,50,000	9.16	36	1,33,720	Hypothecation of vehicles
Kotak Mahindra Bank	LCV-63105	2,50,000	9.16	35	1,27,065	Hypothecation of vehicles
	Total				**6,91,87,698**	

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2009, 2010, 2011 2012 and 2013 prepared in accordance with the Companies Act, 1956 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Statements" beginning on page 145 of this Draft Prospectus beginning.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "**Risk Factors**" and "**Forward-Looking Statements**" beginning on pages 19 and 18 respectively, of this Draft Prospectus.

BUSINESS OVERVIEW

Starlit Power Systems Limited is a group company of the diversified Starlit Group. Our company was incorporated in the year 2008 with its focus on Lead and Lead based products. Our Company is engaged in Smelting of Battery & Lead Scrap, manufacture, supply and export of pure lead, different Lead Alloys like Calcium Aluminum alloy Antimonial Alloy and Selenium Alloy, Lead Oxides like Lead Sub Oxide and Red Lead. We have the smelting capacity of 15000 MT per annum and refining/alloying capacity of over 12000 MT per annum with technical capacity to convert assorted heterogeneous lead scrap into pure lead of upto 99.98 % purity. Committing to quality & environment protection, our company works on streamlined processes and principles. The Company uses producer gas as a fuel for all smelting and refining operations. The producer gas is generated by captive biomass gassifier plant thereby considerably reducing dependence on Hydro-carbons like furnace oil and diesel. The biomass gassifier technology is Developed by TERI and approved by Ministry of New & Renewable Energy, Government of India. Our plant has been selected as successful demonstration manufacturing plant by United Nations Environment Program (UNEP), Japan for efficient energy operation. The company is an ISO 9001:2008 & ISO 14001:2004 certified company and all the systems & procedures are documented as per certification requirements. Stringent quality measures & processes are implemented at each stage right from the procurement of raw material till the final dispatch of finished products.

Our products are supplied to most prominent battery and secondary power back-up Companies both in India and abroad. In these fields Starlit Lead Products are a recognized name amongst battery manufacturers in India and countries across the world.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. We have appointed Mr. Yogesh Kumar Gupta as the Managing Director of the Company with effect from October 01, 2013.
2. Reappointment of Statutory Auditor M/s D M & Co. in Annual General Meeting held on July 04, 2013.
3. Conversion of Compulsorily convertible debentures into Shares at a rate of Rs. 30.73 dated March 20, 2014

4. Appointment of Peer Reviewed Auditor M/s V K Sehgal & Associates, Chartered Accountants vide Board Resolution dated November 09, 2013 for preparation of Restated financial statement.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 19 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Increase in the cost of raw material & manufacturing expenses.
- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international trade.
- Fluctuation in Currency
- Volatility of Lead Prices in LME (London Metal Exchange)
- Prevailing Import- Export and macro trends in the industry in which we operate.
- Competition

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for years ended March 31, 2009, 2010, 2011, 2012 and 2013.

Overview of Revenue & Expenditure

Revenues

Our Company's revenue from sales of goods/ services and operations consists primarily from the following

Sale of Goods: Revenue is generated from Smelting of Battery & Lead Scrap, manufacture, supply and export of pure lead, different Lead Alloys like Calcium alloy, Antimonial Alloy and Selenium Alloy, Lead Oxides like Lead Sub Oxide and Red Lead.

Other Income: Other operating revenue recognized from Interest and foreign exchange gain.

(Rs. In Lakhs)

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Income					
Revenue from Operations	NIL	2.73	147.42	1,964.41	3,057.44
Increase/Decrease in %	NA	NA	5,300.00%	1,232.53%	55.64%
Other Income	NIL	0.01	0.94	0.37	0.75
Increase/Decrease in %	NA	NA	9,300.00%	-60.64%	102.70%
Total Revenue	**0.00**	**2.74**	**148.36**	**1,964.78**	**3,058.18**

The following is the sales mix in terms of value of total sales of our Company for different services and goods sold

(Rs. In Lakhs)

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Revenue from Operation					
Sale of Products	NIL	NIL	141.97	2,132.53	3,427.77
Sale of Services	NIL	2.65	NIL	NIL	NIL
Other Operating Revenue	NIL	0.08	6.06	7.99	0.38
Less: Excise Duty	NIL	NIL	0.62	176.11	370.71
Total Revenue from Operation	**0.00**	**2.73**	**147.42**	**1,964.41**	**3,057.44**

The following is the sales mix in terms of value of total sales of our Company for different services and goods sold

(Rs. In Lakhs)

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Revenue from Operation					
Sale of Products	0.00%	0.00%	96.30%	108.56%	112.11%
Sale of Services	0.00%	97.07%	0.00%	0.00%	0.00%
Other Operating Revenue	0.00%	2.93%	4.11%	0.41%	0.01%
Less: Excise Duty	0.00%	0.00%	0.41%	8.97%	12.12%
Total Revenue from Operation	**0.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Other Income

Other operating revenue recognized from Interest.

(Rs. In Lakhs)

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Interest Received	NIL	0.01	0.94	0.37	0.75
Total Other Income	**NIL**	**0.01**	**0.94**	**0.37**	**0.75**

The following is the other income mix in terms of value of other income of our Company for other incomes

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Interest Received	NIL	100.00%	100.00%	100.00%	100.00%
Total Other Income	**NIL**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Sundry Debtors

The following table presents the details of our Company's sundry debtors.

Particulars	As at March 31				
	2009	2010	2011	2012	2013
Unsecured, Considered good					
Debts outstanding for a period not exceeding six months	NIL	NIL	105.95	257.70	306.27
As a % of total Debtors	0.00%	0.00%	100.00%	95.03%	90.50%
Debts outstanding for a period exceeding six months	NIL	NIL	NIL	13.49	32.15
As a % of total Debtors	0.00%	0.00%	0.00%	4.97%	9.50%
Unsecured, Considered doubtful					
Debts outstanding for a period exceeding six months	NIL	NIL	NIL	NIL	NIL
As a % of total Debtors	0.00%	0.00%	0.00%	0.00%	0.00%
Less: Provision for doubtful debts	NIL	NIL	NIL	NIL	NIL
As a % of total Debtors	0.00%	0.00%	0.00%	0.00%	0.00%
Total – Sundry Debtors	**0.00**	**0.00**	**105.95**	**271.19**	**338.42**
Avg. Debtors	NA	NA	105.95	188.57	304.80
Debtor Turnover Ratio	0.00	0.00	1.39	10.42	10.03
Average Collection Period (in days)	NA	NA	262	35	36

Expenditure

Our Company's operating expenditure consists of following

Purchase of Raw Material: Expenses incurred on purchase of raw material like Antimony (Sb), Arsenic (As), Tin (Sn), Copper (Cu), Bismuth (Bi), Iron (Fe), Nickel (Ni), Silver (Ag), Zinc (Zn), Calcium (Ca), Sulphur (S), Aluminum (Al), Lead (Pb), Lead Monoxide & Free Lead .

Other Charges are not limited but includes Employees Benefits Expenses, Finance Cost, Power & Fuel, Freight, Depreciation, Consumable and Clearing & Forwarding expenses etc.

RESULTS OF OPERATIONS

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2009	2010	2011	2012	2013
INCOME					
Revenue from Operations					
Revenue	NIL	2.73	147.42	1,964.41	3,057.44
Increase/Decrease in %	NA	NA	5300.00	1232.53	55.64
Other Income	NIL	0.01	0.94	0.37	0.75
Increase/Decrease in %	NA	NA	9300.00	-60.64	102.70
Total Revenue	**0.00**	**2.74**	**148.35**	**1,964.78**	**3,058.18**
EXPENDITURE					
Cost of Material Consumed	NIL	NIL	167.13	1,728.07	2,775.24
As a % of Total Revenue	NA	NA	112.66	87.95	90.75
Changes in inventories	NIL	NIL	-58.85	-18.36	-34.45
As a % of Total Revenue	NA	NA	-39.67	-0.93	-1.13
Employee benefit expenses	NIL	NIL	9.27	28.72	28.87
As a % of Total Revenue	NA	NA	6.25	1.46	0.94
Finance costs	0.02	0.08	6.03	54.44	98.15
As a % of Total Revenue	NA	2.91	4.06	2.77	3.21
Depreciation and amortisation expense	NIL	0.01	11.15	23.36	27.06
As a % of Total Revenue	NA	0.36	7.52	1.19	0.88
Other expenses	3.73	1.68	12.47	107.62	118.19
As a % of Total Revenue	NA	61.31	8.41	5.48	3.86
Total Expenditure	**3.75**	**1.76**	**147.20**	**1,923.85**	**3,013.06**
As a % of Total Revenue	NA	64.23	99.22	97.92	98.52
Profit before prior period items	-3.75	0.98	1.15	40.93	45.13
Prior period items (Net)	NIL	NIL	NIL	NIL	NIL
Profit before tax	-3.75	0.98	1.15	40.93	45.13
PBT Margin	NA	35.77	0.78	2.08	1.48
Tax expense :					
(i) Current tax	NIL	NIL	NIL	10.82	10.60
(ii) MAT Credit	NIL	NIL	NIL	0.36	NIL
(iii) Prior Period Taxes	NIL	NIL	NIL	0.12	-0.36
(iv) Deferred Tax	0.36	-0.12	3.84	1.01	4.66
(v) FBT	NIL	NIL	NIL	NIL	NIL
Total	0.36	-0.12	3.84	12.31	14.90
As a % of Total Revenue	NA	-4.38	2.59	0.63	0.49
Profit for the year	**-4.11**	**1.09**	**-2.68**	**28.62**	**30.23**

PAT Margin	NA	39.78	-1.81	1.46	0.99

FISCAL YEAR ENDED MARCH 31, 2013 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2012

Income

Total revenue increased by Rs. 1,093.40 Lakhs or 55.65 %, from Rs. 1,964.78 Lakhs in the fiscal year ended March 31, 2012 to Rs. 3,058.18 Lakhs in the fiscal year ended March 31, 2013

Expenditure

Total Expenditure increased by Rs. 1,089.21 Lakhs, or 56.62 %, from Rs. 1,923.85 Lakhs in the fiscal year ended March 31, 2012 to Rs. 3,013.06 Lakhs in the fiscal year ended March 31, 2013. Overall expenditure has increased mainly because of the increase in Finance Cost, Depreciation and Other Expenses.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 43.71 Lakhs and 80.29 %, from Rs. 54.44 Lakhs in the fiscal year ended March 31, 2012 to Rs. 98.15 Lakhs in the fiscal year ended March 31, 2013. Overall finance cost has increased mainly due to increased term liabilities and working capital borrowings.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 10.57 Lakhs and 9.82 %, from Rs. 107.62 Lakhs in the fiscal year ended March 31, 2012 to Rs. 118.19 Lakhs in the fiscal year ended March 31, 2013.Other expenses increased mainly due to increase in Power and Fuel Charges, Repair and maintenance and Clearing and Forwarding Charges.

Net Profit after Tax and Extraordinary items

Net profit has increased by 1.61 Lakhs and 5.63%, from Rs. 28.62 Lakhs in the fiscal year ended March 31, 2012 to Rs. 30.23 Lakhs in the fiscal year ended March 31, 2013.

FISCAL YEAR ENDED MARCH 31, 2012 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2011

Income

Total revenue increased by Rs. 1,816.43 Lakhs and 1,224.42 %, from Rs. 148.35 Lakhs in the fiscal year ended March 31, 2011 to Rs. 1,964.78 Lakhs in the fiscal year ended March 31, 2012.

Expenditure

Total Expenditure increased by Rs. 1,776.65 Lakhs, and 1,206.96%, from Rs. 147.20 Lakhs in the fiscal year ended March 31, 2011 to Rs. 1,923.85 Lakhs in the fiscal year ended March 31, 2012. Overall expenditure has increased mainly because of increase in raw material consumed corresponding to the increase in Turnover, Employee Benefit Expenses, Financial Costs, Depreciation and Other Expenses.

Employee Benefit Expenses

Employee benefit Expenses in terms of value and percentage increased by Rs. 19.45 Lakhs and 209.82 %, from Rs. 9.27 Lakhs in the fiscal year ended March 31, 2011 to Rs. 28.72 Lakhs in the fiscal year ended March 31, 2012. The reason for increase in the same is that the company recruited more employees to support growing operations of the Company.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 48.41 Lakhs and 802.82 %, from Rs. 6.03 Lakhs in the fiscal year ended March 31, 2011 to Rs. 54.44 Lakhs in the fiscal year ended March 31, 2012. The reason for increase in the same is that the company has borrowed working capital loan in the current year.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 95.15 Lakhs and 763.03 %, from Rs. 12.47 Lakhs in the fiscal year ended March 31, 2011 to Rs. 107.62 Lakhs in the fiscal year ended March 31, 2012.Other expenses increased mainly due to increase in Power & Fuel Charges, Travelling & Conveyance, Freight and Clearing & Forwarding expenses.

Net Profit after Tax and Extraordinary items

Net profit has increased by Rs. 31.30 Lakhs and 1,167.91 %, from Rs. (2.68) Lakhs in the fiscal year ended March 31, 2011 to Rs. 28.62 Lakhs in the fiscal year ended March 31, 2012.

FISCAL YEAR ENDED MARCH 31, 2011 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2010

Income

Total revenue increased by Rs. 145.61 Lakhs and 5,314.23 %, from Rs. 2.74 Lakhs in the fiscal year ended March 31, 2010 to Rs. 148.35 Lakhs in the fiscal year ended March 31, 2011.

Expenditure

Total Expenditure increased by Rs. 145.44 Lakhs, and 8,263.64 %, from Rs. 1.76 Lakhs in the fiscal year ended March 31, 2010 to Rs. 147.20 Lakhs in the fiscal year ended March 31, 2011. Overall expenditure has increased mainly because of the increase in Turnover, Employee Benefit Expenses, Financial Costs, Depreciation and Other Expenses.

Employee Benefit Expenses

Employee benefit Expenses in terms of value and percentage increased by Rs. 9.27 Lakhs from Rs. 0.00 Lakhs in the fiscal year ended March 31, 2010 to Rs. 9.27 Lakhs in the fiscal year ended March 31, 2011. The reason for increase in the same is that the company recruited employees to support growing operations of the Company

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 5.95 Lakhs and 7,437.50 %, from Rs. 0.08 Lakhs in the fiscal year ended March 31, 2010 to Rs. 6.03 Lakhs in the fiscal year ended March 31, 2011. The reason for increase in the same is that the company has borrowed working capital loan in the current year.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 10.79 Lakhs and 642.26 %, from Rs. 1.68 Lakhs in the fiscal year ended March 31, 2010 to Rs. 12.47 Lakhs in the fiscal year ended March 31, 2011.Other expenses increased mainly due to increase in Electricity Charges, Security and Miscellaneous expenses.

Net Profit after Tax and Extraordinary items

Net profit has decreased by Rs. 3.77 Lakhs and 345.87 %, from Rs. 1.09 Lakhs in the fiscal year ended March 31, 2010 to Rs. (2.68) Lakhs in the fiscal year ended March 31, 2011

OTHER MATTERS

1. **Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the section titled *"Risk Factors"* beginning on page 19 of this Draft Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

Other than as described in the section titled *"Risk Factors* beginning on page 19 of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by suppliers.

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

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

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

The Company is operating in power and storage industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 84 of this Draft Prospectus.

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

Our Company has not announced any new product and segment, other than through the Draft Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature.

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

The % of Contribution of our Company's customer and supplier vis a vis the total income and operating cost respectively as on September 30, 2013 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	85.00%	31.20%
Top 10 (%)	89.50%	37.90%

Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 97 of this Draft Prospectus.

SECTION – VI LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII to the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATION RELATING TO THE COMPANY

Case Filed Against Our Company

Nil

Cases Filed By the Company

1. Starlit power Systems Limited has instituted criminal complaints under Section 138 of Negotiable Instruments Act, 1938 against NPP Energy as the cheques (give the details) issued by them in discharge of their liability against the dues of Starlit Power System were dishonoured. The accused Company had issued the said cheques against the goods supplied to them by Starlit Power Systems ltd. The case is pending adjudication before District Court, Saket, New Delhi and is scheduled for the next date of hearing on 19.11.2013.

2. Secondly a civil suit was preferred by Starlit Power Systems Limited filed on 19.02.2013 against Marathon Batteries Pvt Ltd. At the District Courts Mewat Haryana for the recovery of an amount of Rs 18.66 lacs due by the respondent company towards Starlit. The matter was thereafter mutually settled between the parties and post dated cheques for the said amount have been issued by Marathon Batteries Pvt Ltd against admitted liability towards Starlit Power Systems Ltd.

Cases Pending with Income Tax Authorities against our Company

Sr. No.	Description	Assessment Year	Amount	Pending with
1.	Income Tax Demand U/s 143(1a) dated 20/06/2013	2012-13	Rs. 43680/-	Income Tax Department
2.	Scrutiny Notice U/s 15, 16 & 17 of Haryana VAT Act, 2003 and U/s 9(2) of the Central Sale Tax Act, 1956	2011-12		Haryana VAT and Central Sales Tax Department
3.	Intimation of conducting Central Excise Audit under	2011-12 to 2013-14		Central Excise, Delhi-III

	Excise Audit 2000			

LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY

Cases filed by Our Promoters

Nil

Cases filed against our Promoters

One of our Promoter Mr. Sachin Shridhar was an Independent director in RDB Rasayans Limited, However, he has resigned from the directorship as on May 27, 2013. SEBI issued an Ex- parte ad interim order dated December 28, 2011 against RDB Rasayans Limited, its Directors, Company Secretary, Merchant Banker and some brokers alleging "Non Disclosure" in Prospectus and "Mis Utilization" of IPO proceeds and banning them to participate in Capital Market activities. It also directed the Company to call back and obtain repayment of demand loans from its associates and deposit it in an Escrow Account. Though the Company decided to comply with SEBI directions but being aggrieved by the Ex-parte order Company and its Managing Director filed a writ petition No. 1971 (W) of 2012 in Calcutta High Court challenging the validity of the Ex-parte Order. On February 08, 2012 writ application was heard and Hon'ble Court issued the following order:

d) Admitted the Writ Petition
e) Allowed SEBI to continue investigation but refrain them to pass any further order
f) Granted liberty to the Company to file an application seeking approval to invest in project out of the IPO proceeds

Further, SEBI vide its order dated October 08, 2012 revoked the directions issued against all Independent Directors and Company Secretary vide its ad-interim ex-parte order dated December 28, 2011.

Cases Pending with Income Tax Authorities against our Promoters

Sr. No.	Name of Promoter	Description	Assessment Year	Amount	Pending with
1.	Sachin Shridhar	Demand U/s 143(1a) dated 20/03/2013	2011-12	Rs.6770/-	Income Tax Department
2.	Starlit Finance Limited	U/s 143(1a)	2012-13	Rs. 311640/-	Income Tax Department

LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

Cases filed against the Directors

Nil

Cases filed by the Directors

Nil

Cases Pending with Income Tax Authorities against our Directors

Sr. No.	Whole Time Director	Description	Assessment Year	Amount	Pending with
1.	Kamaljeet Singh Jaswal	U/s 143(1)	2008-09	Rs.9545/-	Income Tax Department
2.	Surinder Pal	U/s 143(1a)	2010-11	Rs.95820/-	Income Tax Department

LITIGATIONS RELATING TO THE GROUP COMPANIES

Cases Filed Against the Group Companies

Nil

Cases Filed By the Group Companies

Nil

Cases Pending with Income Tax Authorities against or Group Companies

Sr. No.	Name of Group Entity	Description	Assessment Year	Amount	Pending with
1.	Starlit Infrastructure Limited	U/s 143(1a)	2009-10	Rs. 210250/-	Income Tax Department
2.	Starlit Infrastructure Limited	U/s 143(1a)	2010-11	Rs. 108850/-	Income Tax Department
3.	Starlit Realty & Infratech Private Limited	U/s 115WE(1)	2007-08	Rs. 3385/-	Income Tax Department
4.	Starlit Realty & Infratech Private Limited	U/s 143(1a)	2009-10	Rs. 4120/-	Income Tax Department

LITIGATIONS RELATING TO THE DIRECTORS OF GROUP COMPANIES

Cases Filed Against the Directors of Group Companies

Nil

Cases Filed By the Directors of Group Companies

Nil

Cases Pending with Income Tax Authorities against our Whole Time Director(s) and Whole Time Director(s) of our Group Entities:

Nil

PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON THE COMPANY

The are no cases in the last five years in which penalities have been imposed on the Company.

CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS. 1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS

The Company has one creditor for the total amount of Rs. 204.02 Lakhs which is outstanding for more than 30 days.

MATERIAL DEVELOPMENTS

Except as stated in the chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 177 of the Draft Prospectus, no material developments have taken place after September 30, 2013, the date of the latest balance sheet, that would materially adversely affect the performance of prospectus of the Company. In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the SME Platform of BSE.

We certify that except as stated herein above:

a. there are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.

b. there are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
c. there are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
d. there are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e. there are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f. there are no litigations against the Promoters / Directors in their personal capacity.
g. the Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
h. Following are the creditors as on September 30, 2013 to whom Company owes sum exceeding Rs. 1,00,000 and are outstanding for more than 30 days as certified by the management of Our Company.

Sr. No.	Organization	Amount (Rs.)
1.	Avemore PTE Ltd.	62,13,400.93
2.	Shri Gurunanak Auto Industrial Corporation	61,14,676.82
3.	K.G. Mettalloys	24,94,806.67
4.	Osaka Alloys and Steels Pvt Ltd	24, 18,886.00
5.	Empire Lead Refineries Pvt Ltd	13,61,151.00
6.	Atul Shipping Agency (P) Ltd	4,59,537.00
7.	C.P Industries	4,48,941.90
8.	Rathoure Metal & Smelting	3,46,345.00
9.	Shree Sai Vamika Industries	3,03,903.34
10.	Dart Global Logistics Pvt Ltd	2,40,651.00
	Total	**2,04,01,699.66**

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, and no further approvals are required for carrying on our present business or to undertake the Issue. Unless otherwise stated, these approvals are all valid as of the date of the Draft Prospectus.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on October 03, 2013 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated October 30, 2013 under Section 81(1A) of the Companies Act, authorized the Issue.

Approvals from Stock Exchange

1. The Company has obtained approval from SME platform of the BSE Limited vide letter dated [●] to use the name of the Stock Exchange in the Draft Prospectus for listing of Equity Shares on the Stock Exchange.

Approvals from Lenders

1. The Company has obtained all the necessary approvals and consents from its lenders.

II. INCORPORATION DETAILS

1. Corporate Identity Number: U37200DL2008PLC174911 Certificate of Incorporation dated March 4, 2008 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana.
2. Fresh Certificate of Incorporation dated January 25 2012, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana consequent upon conversion to public limited company.
3. Fresh Certificate of Incorporation dated February 13, 2012 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana consequent upon change of name of our company to "Starlit Power Systems Limited".

III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. Under Direct And Indirect Tax Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration Under Maharashtra State Tax on Professions, Trades, Callings and Employments Act 1975 dated May 10,2013	Profession Tax Officer, Nalasopara	Certificate No.: 99492035442P	Perpetual	Implementation of Maharashtra State Tax on Professions,Trades, Callings and Employments Act
2.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AALCS6944F	Perpetual	-
3.	Service Tax Registration	Central Board Of Excise And Customs	ST Code:AALCS6944FSD002	Perpetual	Taxable Service – Other than in the negative list

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
4.	Registration under Central Sales Tax Act, 1956	The Central Sales Tax (Registration & Turnover) Rules, 1957	TIN No.: 27380986035C	Perpetual	-
5.	Registration Under Central Excise Rules, 2002	Central Board Of Excise And Customs	Reg. No:AALCS6944FEM003	Perpetual	-
6.	Registration under The Maharashtra Value Added Tax ACT, 2002	The Maharashtra Value Added Tax Act, 2002	TIN No:27380986035V	Perpetual	-
7.	Registration Under Central Excise Rules, 2002	Central Board Of Excise And Customs	Reg. No:AALCS6944FEM001	Perpetual	-
8.	Registration Under sec.7(1)/7(2) of the Central Sales Tax Act, 1956	Assistant Excise and Taxation Officer Mewat	TIN No:06863100475	Perpetual	-
9.	Registration under sec. 11 of the Haryana Value Added Tax Act, 2003	Assistant Excise and Taxation Officer Mewat	TIN No:06863100475	Perpetual	-
10.	Certificate of Importer Exporter Code Number	Government of India Ministry of Commerce and Industry Department of Commerce Additional Director General of Foreign Trade	Code No:0508083681	Perpetual	-
11.	Letter of Factory Stuffing Permission	Office of the Commissioner of Customs Inland Container Depot New Delhi	LOFSP No:828	Perpetual	Permission valid only for the specified goods, for the specified premises and for the specified ports.
12.	Change of Tax Deduction Account Number (TAN) data	National Securities Depository Limited	TAN: DELS35341F	Perpetual	TAN shall be quoted while furnishing TDS returns including e-TDS return.

B. Under Industrial And Labour Law

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Renewal of Factory License.	Chief Inspector Of Factories, Haryana	License Reg. No: MWT-ONLINE-5	2012-2016	-
2.	Registration & License to Work a Factory	Chief Inspector Of Factories, Haryana	License Reg. No: MWT-ONLINE-5	December 31, 2011	-
3.	Registration Under the Building and other Construction Work(Regulation Of Employment and Condition Of Service) Act, 1996	Government of Haryana Office of the Registration Officer	No: GGN-I/472	Perpetual	-
4.	Assessment Order under Building & other Construction Workers Cess Act,1996 and Rule 1998	Labour Department Government of Haryana	Ref No: 592		-
5.	Registration Under Employees Provident Funds & Miscellaneous Provisions Acts, 1952	Officer of the Regional Provident Fund Commissioner	No: PFRC/98/DL/44809	Perpetual	-

C. Other Registration And Licenses

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration Under The International Certification Bureau. Certification Body Of QMSA	The International Certification Bureau. Certification Body Of QMSA	Reg. No: ICB-0110710055697	Perpetual	-
2.	Sanction of Load 100KW with CD 100 KVA	Dakshin Haryana Bijli Vitran Nigam	Memo No: 1348	Perpetual	Variation in Voltage must be within the permissible limits as per Indian

					Electricity Rules
3.	Consent to Establish from Pollution Angel	Regional Office Haryana State Pollution Control Board	No: HSPCB/DHR/ NOC/09/2283		Domestic Effluent and Trade Effluent shall be 1 KL/day and Nil KL/day. "Consent to Establish" valid for two years from the date of its issue or till the time the unit starts its trial production, whichever is earlier.
4.	Consent to operate under Water/Air Act/HWM Rules	Regional Office Haryana State Pollution Control Board	No: HSPCB/DHR/ 2011/3368	April 18, 2011	Consent is accorded for trial production for 90 days.
5.	Occupation Certificate required under the Punjab Scheduled Road and Controlled Areas Restriction of unregulated Development Rules 1965	Senior Town Planner, Faridabad Circle, Faridabad	Memo No: STP FBD – 2011/3501	Perpetual	To use solar water heating system for water heating and CFL for light in the building.
6.	Consent to Establish from Pollution Angel	Haryana State Pollution Control Board	No: HSPCB/SEE – II/2013		"Consent to Establish" is valid up to two years or the date of commissioning, whichever is earlier,
7.	Extension of Consent to operate under Water (Prevention and control of pollution)Act, 1974 and Air (Prevention and control of pollution)Act, 1981	Regional Office Haryana State Pollution Control Board	No: HSPCB/DHR/ Consent/2012/ 2454	April 1, 2012 to March 31, 2014	To submit analysis report of effluent/ air emission within three months.
8.	No Objection Certificate under 15 MTRS.	Haryana Fire Service	Ref No: HFSN24-2013	July 18, 2014	Trained staff and fire fighting system shall always be in good working condition.

INTELLECTUAL PROPERTY

Our Intellectual Property mainly consists of our rights to use "STARLIT" and "KONSTANT" name & logo. One of our Promoter namely Sachin Shridhar, has filed applications for registration of below stated logo in his name. Our company has been licensed by Mr. Sachin Shridhar for a period of 5 years to use the name and logo in connection with the business of the Company.

Sr. No.	Logo	Date of Application	Application No.	Class	Current Status
1		November 08, 2013	2624636	9	Application Pending with Trademark Authorities
2		November 08, 2013	2624637	9	Application Pending with Trademark Authorities

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on October 03, 2013 and by the shareholders of our Company by a special resolution, pursuant to Section 81(1A) of the Companies Act, 1956 passed at the EGM of our Company held on October 30, 2013 at registered office of the Company.

We have received an approval from BSE Limited (SME Platform) for using its name in the Offer Document pursuant to letter no. [●] dated [●].

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entities, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entities have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in terms of Regulation 106M(1) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, as the post issue capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 47 of this Draft Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, than our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 73 of the Companies Act, 1956

3. 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 Draft 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.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the

Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page 47 of this Draft Prospectus.

5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.

6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.

7. The Company has track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.

8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended and as at March 31, 2013, 2012 and 2011 is as set forth below:-

(In Rs. Lakhs)

Particulars	As on September 30, 2013	As on March 31, 2013	As on March 31, 2012	As on March 31, 2011
Distributable Profit*	16.52	30.23	28.62	(2.68)
Net tangible Assets**	913.16	519.88	222.05	196.52
Net Worth***	398.33	381.81	264.62	229.01

"Distributable profits" have been computed in terms section 205 of the Companies Act, 1956.

"Net Tangible Assets" are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

"Net Worth" has been computed as the aggregate of equity share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

9. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore.

10. The Company shall mandatorily facilitate trading in demat securities and is in the process of entering into an agreement with both the depositories.

11. The Company has not been referred to Board for Industrial and Financial Reconstruction.

12. No petition for winding up is admitted by a court of competent jurisdiction against the Company.

13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

14. The Company has a website: www.starlitlead.com

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 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 THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 28, 2014 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 DRAFT 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 DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT 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 DRAFT PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956* AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE****

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 DRAFT 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 THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF 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 DRAFT 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 (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."**

**Section 40(3) of the Companies Act, 2013 has been notified by the Ministry of Corporate Affairs, Government of India.*

***Section 29 of the Companies Act, 2013 provides inter alia that every company making public offers shall issue securities only in dematerialised form by complying with the provisions of the Depositories Act, 1996 and the regulations made thereunder.*

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 DRAFT 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 DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE

ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION 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 DRAFT PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. - NOTED FOR COMPLIANCE."

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, section 35, section 36 OR section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, National Territory of Delhi and Haryana in terms of sections 56, 60 and 60B of the Companies Act 1956 alongwith notified provisions of Section 32 of Companies Act, 2013

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

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

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated January 09, 2014, the Underwriting Agreement dated March 12, 2014 entered into among the Underwriter and our Company and the Market Making Agreement dated March 12, 2014 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc.*

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents,

affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

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

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and 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 applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in 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, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and 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 no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

As required, a copy of this Draft Prospectus shall be submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the RoC filing.

FILING

This Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI

Northern Regional Office, 5th Floor, Bank of Baroda Building, 16 Sansad Marg, New Delhi - 110001. 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 Place, New Delhi – 110019.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in- principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Draft Prospectus vide its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 73 of the Companies Act

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary, the Compliance Officer, the Auditors, Peer review Auditor, the Banker to the Issue; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Draft Prospectus with the RoC, as required under sections 60 of the Companies Act 1956 read along with notified provisions of Section 32 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Draft Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

1. Report of the Statutory Auditor on Statement of Tax Benefits

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page 70 of the Draft Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated August 14, 2013 issue by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated January 09, 2014, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery,

postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement to entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS

We have not made any previous rights and/or public issues during the last five years, and are an "Unlisted Issuer" in terms of the SEBI ICDR Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 55 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

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

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and

Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Shareholders/ Investors Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on November 09, 2013. For further details, please refer to the chapter titled "*Our Management*" beginning on page 113 of this Draft Prospectus.

Our Company has appointed Mr. Bala Ji as the Company Secretary and Compliance Officer and he may be contacted at the following address:

Starlit Power Systems Limited
A-1/20, LGF Safdarjung Enclave,
New Delhi-110029
Tel: (011) 26102570/46027970/46037870
Email: info@starlitlead.com
Website: www.starlitlead.com

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

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There have been no changes in the statutory auditors of our Company in the past three years, except that DM & Company., Chartered Accountants, were appointed as the statutory auditors of our Company in place of Sunil Arora & Associates, Chartered Accountants w.e.f. from July 04, 2013 who had resigned as the statutory auditors.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 55 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

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 BSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB applicants, Non-Institutional applicants and other applicants whose application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 1956 alongwith notified provisions of Companies Act, 2013, 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 229 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 1956. For further details, please refer to the chapter titled 'Dividend Policy' on page 144 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. 18/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 74 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.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders 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 annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

As per the provisions of the Depositories Act, the shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 8000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 8000 Equity Shares subject to a minimum allotment of 8000 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 12 working days of closure of Issue.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 109A 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 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

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

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

MINIMUM SUBSCRIPTION

In the event our Company does not receive a minimum subscription of 100% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the SCRR , including devolvement to the Underwriters within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Bid/Issue Closing Date. If there is a delay beyond eight days after the expiry of 70 days from the Bid/Issue Closing Date, our Company and Selling Shareholder shall pay such interest prescribed under Section 73 of the Companies Act and Section 40 of the 2013 Act.

Further, as per Section 39(3) of Companies Act 2013 Act, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the

Prospectus, the application money has to be returned within such period as may be prescribed. In the event of any failure to refund the application money within the specified period, a penalty of Rs.1,000 for each day during which the default continues or Rs. 100,000, whichever is less. Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any reason. The penalty for the failure to comply with the provisions of section 40(3) of the 2013 Act would amount to not less than Rs. 500,000, and which may extend to Rs. 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year a fine not exceeding Rs. 300,000 or both.

MIGRATION TO MAIN BOARD

Our company may migrate to the main board of BSE from the SME Exchange at a later date subject to the following:

a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE 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

b) If the Paid up Capital of our company is more than 10 crores but below Rs. 25 crores, 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 shares offered though this issue are proposed to be listed on the SME Platform of BSE (SME Exchange) wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered though this Draft Prospectus. For further details of the Market Making arrangement see chapter titled "General Information" beginning on page 47 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 8000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "Capital Structure" beginning on page 55 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "Main Provisions of the Articles of Association" beginning on page 229 of this Draft Prospectus.

NEW FINANCIAL INSTRUMENTS

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

JURISDICTION

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

The Equity Shares have not been and will not be registered under the U.S. 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), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and 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 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 made in terms of Regulation 106M(1) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby the post issue capital does not exceed Rs. 1,000 lakhs shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ('SME Exchange', in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled 'Terms of the Issue' and 'Issue Procedure' beginning on page 205 and 211 of this Draft Prospectus.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 16,40,000 equity shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 18/- per Equity Share (including a premium of Rs. 8/- per Equity Share) aggregating Rs. 295.20 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 15,52,000 Equity Shares ('the Net Issue') and a reservation of 88,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	15,52,000 Equity Shares	88,000 Equity Shares
Percentage of Issue Size available for allocation	95.00 % of the Issue size	5.00 % of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 8000 Equity Shares and further allotment in multiples of 8000 Equity Shares each. For further details please refer to the "Basis of Allotment" on page 217 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 8000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 8000 Equity Shares	88,000 Equity Shares
Maximum Application Size	For QIB and NII:	88,000 Equity Shares

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	Such number of equity shares in multiples of 8000 Equity Shares such that the Application Size does not exceed 7,76,000 Equity Shares. For Retail Individuals: 8000 Equity Shares	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	8000 Equity Shares	8000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	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 lakh and the balance for higher amount applications.

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 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

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) 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 them to the Registrar to 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 the provisions of Section 68B of the Companies Act, 1956 and Section 29 of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat and physical form.

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.

The prescribed color of the Application Form for various categories is as follows:

Category	Color of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs applying on a repatriation basis	Blue

In accordance with the SEBI (ICDR) Regulations, 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:-

- 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;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com.

OPTION TO SUBSCRIBE IN THE ISSUE

a) Investors will get the allotment of Equity Shares in dematerialization form only.
b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
c) A single Application From any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRIS/FII'S ON REPATRIATION BASIS

Application Forms have been made available for Eligible NRIs at our registered Office. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the forms meant for the reserved category. 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 issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENTS BY FIIS:

- The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue paid- up capital. In respect of an FII investing in the 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 of the Company or 5% of the total issued capital, in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside India through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As of the date of this Draft Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.

- Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 ('SEBI FII Regulations'), an FII, as defined in the SEBI FII Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the LM that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation or claim or claim on or an interest in, our Company.

  In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

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 venture capital fund 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 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 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 reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

(a) 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;
(b) 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
(c) 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).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs 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 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 therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
(b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. 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.
(c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, 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. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

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, the lead manager 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 Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on 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 8000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 8000 Equity Shares.

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. 2,00,000 and in multiples of 8000 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 will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LM.
d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
e) Applications made in the Name of Minors and/or their nominees shall not be accepted.
f) Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at New Delhi.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January1, 2013. The list of Broker Centre is available on the websites of BSE Limited i.e. www.bseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LM or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 8000 equity shares the allotment will be made as follows:
    a) Each successful applicant shall be allotted 8000 equity shares; and
    b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 8000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 8000 equity shares subject to a minimum allotment of 8000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of

rounding off to the nearest multiple of 8000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

   a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   b) The balance net offer of shares to the public shall be made available for allotment to
      i. individual applicants other than retails individual investors and
      ii. other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
   c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

REFUNDS

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LM shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay**.**

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency**.**

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

The entire Issue Price of Rs. 18/- per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stockinvest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each application form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
    - Indian Public including eligible NRIs applying on non-repatriation basis: 'Starlit Power Systems Limited –Public Issue – R'.
    - In case of Non Resident Retail Applicants applying on repatriation basis: 'Starlit Power Systems Limited – Public Issue – NR'
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non Resident Ordinary (NRO) Account of Non Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
4. On the Designated Date and no later than 12 days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;

- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of' know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number **('PAN')** to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 8000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;

- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

'Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated March 12, 2014 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 60B of Companies Act, 2013 read along with notified provisions of Section 32 of the Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 12 working days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within three months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 113 of the Companies Act, 1956 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account.

Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment. Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 working days of closure of Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

PAYMENT OF REFUND

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ('MICR') code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the LM shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

1. ***ECS*** *(Electronic Clearing System)* – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of such centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.

2. ***Direct Credit*** – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.

3. ***RTGS*** *(Real Time Gross Settlement)* – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds Rs. 10.00 Lakhs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. ***NEFT*** *(National Electronic Fund Transfer)* – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 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.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment of Equity Shares shall be made within 12 (Twelve) working days of the Issue Closing Date;
2. Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (Twelve) working days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days time period from the Issue Closing Date, 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 (Twelve) working days prescribed above.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by us expeditiously;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of Allotment;
3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 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 the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and
6. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
7. that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non- ASBA applications while finalizing the basis of allotment;

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, the Company in consultation with Lead Manager, reserve the right not to proceed with this Issue any time after the Issue Opening Date, without assigning the reasons thereof.

However, if our Company withdraws the Issue after the Issue Closing Date but before allotment, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. 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 thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange(s).

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) Agreement dated January 07, 2014 between NSDL, the Company and the Registrar to the Issue;

(b) Agreement dated December 27, 2013 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN No. INE909P01012

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.

- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('**ASBA Account**') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

RESTRICTION 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. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2013, with effect from April 05, 2013 ("Circular 1 of 2013"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2013 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However 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 above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of our Articles relating to, *inter alia*, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	**3.** The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of capital by the Company how carried into effect	**4.** The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97of the Act.
New Capital same as existing capital	**5.** Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	**6.** The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

Title of Article	Article Number and contents
Redeemable Preference Shares	**7.** Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	**8.** The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
Provisions to apply on issue of Redeemable Preference Shares	**9.** On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption. (b) No such Shares shall be redeemed unless they are fully paid. (c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed. (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company. (e) Subject to the provisions of Section 80 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.
Reduction of capital	**10.** The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or © any security premium account. In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not

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

MODIFICATION OF RIGHTS

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

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on	**14.** The Board of Directors shall observe the restrictions on allotment of Shares to the

Title of Article	Article Number and contents
allotment and return of allotment	public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
Further issue of shares	**15.** (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then: (a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date; (b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined; (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right; (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company. (2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever. (a) If a Special Resolution to that effect is passed by the Company in General Meeting; or (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company. (3) Nothing in sub-clause (c) of (l) hereof shall be deemed; (a) To extend the time within which the offer should be accepted; or (b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was

Title of Article	Article Number and contents
	first made has declined to take the Shares comprised in the renunciation. (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company: (a) To convert such debentures or loans into Shares in the Company; or (b) To subscribe for Shares in the Company PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term: (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.
Shares at the disposal of the Directors	**16.** Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
Power to offer Shares/options to acquire Shares	**16A** (1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in

Title of Article	Article Number and contents
	any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. (2) In addition to the powers of the Board under Article 16A(1), the Board may also allot the Shares referred to in Article 16A(1) to any trust, whose principal objects would *inter alia* include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit. (3) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(1) and (2) above.
Application of premium received on Shares	**17.** (1) Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company. (2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company: (a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares; (b) In writing off the preliminary expenses of the Company; (c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or (d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company
Power also to Company in General Meeting to issue Shares	**18.** In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and

Title of Article	Article Number and contents
	for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	**18A** (1) Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose. (2) In addition to the powers contained in Article 18A(1), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	**19.** The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely: (a) The issue of the Shares at discount is authorized by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board; (b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and (c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.
Installments of Shares to be duly paid	**20.** If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.

Title of Article	Article Number and contents
The Board may issue Shares as fully paid-up	**21.** Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	**22.** Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	**23.** The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	**24.** Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	**25.(A)** **Definitions:** **Beneficial Owner** "Beneficial Owner" means a person whose name is recorded as such with a Depository. **SEBI** "SEBI" means the Securities and Exchange Board of India. **Bye-Laws** "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; **Depositories Act** "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; **Depository** "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

Title of Article	Article Number and contents
	Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; **Regulations** "Regulations" mean the regulations made by SEBI; **Security** "Security" means such security as may be specified by SEBI.
Dematerialisation of securities	**25.(B)** Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	**25.(C)** Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	**25.(D)** All Securities held by a Depository shall be dematerialized and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
Rights of depositories and beneficial owners	**25.(E)** (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; (2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To	**25.(F)** Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner

Title of Article	Article Number and contents
Furnish Information	as may be specified by the bye-laws and the Company in that behalf.
Service of documents	**25.(G)** Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
Option to opt out in respect of any security	**25.(H)** If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply	**25.(I)** Notwithstanding anything to the contrary contained in the Articles: (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	**26.** (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allotees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	**26A.** Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall

Title of Article	Article Number and contents
	specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	**27.** No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilized unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	**28.** **If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.** Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to Debentures of the Company
The first name joint holder deemed sole holder	**29.** If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.

Title of Article	Article Number and contents
Issue of Shares without Voting Rights	**30.** In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	**31.** Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 77 and SEBI (Buy back of Shares) Regulations as may be permitted by law.
Employees Stock Options Scheme/ Plan	**32.** The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	**33.** Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	**34.** The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
Company not bound to recognize	**35.** Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any

Title of Article	Article Number and contents
any interest in Shares other than of registered holder	equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognised	**36.** (a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. (b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not holding beneficial interest in any Shares	**37.** (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act (2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act. (3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act (4) Not withstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.

Title of Article	Article Number and contents
Funds of Company not to be applied in purchase of Shares of the Company	**38.** No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

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

INTEREST OUT OF CAPITAL

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

DEBENTURES

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

CALLS

Title of Article	Article Number and contents
Directors may make calls	**44.** (a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them

Title of Article	Article Number and contents
	respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call. (b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
Notice of call when to be given	**45.** Not less than **fourteen days** notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
Call deemed to have been made	**46.** A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	**47.** The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour
Amount payable at fixed time or by installments to be treated as calls	**48.** If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	**49.** If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly

Title of Article	Article Number and contents
	or in part.
Evidence in action by Company against share holder	**50.** On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	**51.** The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	**52.** Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

Title of Article	Article Number and contents
Company's lien on Shares/ Debentures	**53.** The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	**54.** The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:- (a) Unless a sum in respect of which the lien exists is presently payable; or (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	**55.** (a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and (b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	**56.** If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	**57.** For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	**58.** The notice shall name a day, (not being less than fourteen days form the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	**59.** If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	**60.** When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	**61.** Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

Title of Article	Article Number and contents
Member still liable for money owning at the time of forfeiture and interest	**62.** Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	**63.** The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	**64.** The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	**65** (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary (b) of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. (c) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off. (d) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share. (e) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

Title of Article	Article Number and contents
	(f) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum	**66.** The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	**67.** Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	**68.** The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	**69.** Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of Shares	**70.** The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	**71.** No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	**72.** The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	**73.** (a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	**74.** The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	**75.** A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	**76.** The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty

Title of Article	Article Number and contents
	five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	**77.** Subject to the provisions of Section 111, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	**78.** In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	**79.** The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.
Notice of application when to be given	**80.** Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

Title of Article	Article Number and contents
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	**81.** Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	**82.** Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	**83.** A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	**84.** No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	**85.** Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of	**86.** The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had

Title of Article	Article Number and contents
transfer	notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	**87.** The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	**88.** (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.
Privileges and disabilities of the holders of share warrant	**89.** (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of

Title of Article	Article Number and contents
	the Company.
Issue of new share warrant coupons	**90.** The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

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

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	**95.** Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	**96.** The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	**97.** Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
Terms of issue of Debentures	**98.** Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Title of Article	Article Number and contents
Mortgage of uncalled capital	**99.** If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
Indemnity may be given	**100.** Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Statutory meeting	**101.** The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business.
Annual General Meeting	**102.** (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. (b) An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. (c) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time with which any Annual General Meeting may be held. (d) Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting. (e) The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. (f) Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.

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	(g) At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. (h) The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.
Report statement and registers to be laid before the Annual General Meeting	**103.** The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	**104.** All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionists' Meeting	**105.** (1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:- (a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting. (b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting. (2) The number of Members necessary for a requisition under clause (1) hereof shall be: (a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or (b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which there has been paid up an aggregate sum of not less than Rupees one lakh in all. (3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and

Title of Article	Article Number and contents
	notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter. (4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless: (a) A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company. i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting; ii. In the case of any other requisition, not less than two weeks before the Meeting, and (b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof. (5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter. (6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.
Extra-Ordinary General Meeting by Board and by requisition When a Director	**106.** (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company. (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that

Title of Article	Article Number and contents
or any two Members may call an Extra Ordinary General Meeting	number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Contents of requisition, and number of requisitionists required and the conduct of Meeting	**107.** (1) In case of requisition the following provisions shall have effect: (a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company. (b) The requisition may consist of several documents in like form each signed by one or more requisitionists. (c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter. (d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled. (e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called: (i) by the requisitionists themselves; or (ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses © of clause (I) whichever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act. (2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them: (a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but (b) shall not be held after the expiration of three months from the date of deposit of the requisition.

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	PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period (3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them. (4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
Length of notice of Meeting	**108.** (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing. (2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto: (i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and (ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting. PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.
Contents and manner of service of notice and persons on whom it is to be served	**109.** (1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat. (2) Subject to the provisions of the Act notice of every General Meeting shall be given; (a) to every Member of the Company, in any manner authorized by sub-sections (1) to (4) Section 53 of the Act**;** (b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might

Title of Article	Article Number and contents
	have been given if the death or insolvency had not occurred; and (c) to the Auditor or Auditors for the time being of the Company in any manner authorized by Section 53 of the Act in the case of Members of the Company PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. (3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.
Special and ordinary business and explanatory statement	**110.** (1) **(a)** In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to (i) the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors; (ii) the declaration of dividend; (iii) the appointment of Directors in the place of those retiring; and (iv) the appointment of, and the fixing of the remuneration of the Auditors, and **(b)** In the case of any other meeting, all business shall be deemed special. (2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director. (3) PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company. (4) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
Omission to give notice not to	**111.** The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the

Title of Article	Article Number and contents
invalidate proceedings	proceedings of any such Meeting.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Notice of business to be given	**112.** No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	**113.** Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.
If quorum not present when Meeting to be dissolved and when to be adjourned	**114.** If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	**115.** Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	**116.** At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then

Title of Article	Article Number and contents
	the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	**116(A)** Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	**117.** No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	**118.** (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	**119.** Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	**120.** A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.

Title of Article	Article Number and contents
Demand of poll	**121.** Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	**122.** A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	**123.** In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	**124.** Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	**125.** The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	**126.** Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members

Title of Article	Article Number and contents
	notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	**127.** A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	**128.** No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	**129.** Subject to the provisions of Article 127, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period proceeding the date on which the vote is taken.
Votes of Members of unsound mind	**130.** A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.

Title of Article	Article Number and contents
Votes of joint Members	**131.** If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	**132.** (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. (b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Votes in respects of deceased or insolvent Members	**133.** Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors

Title of Article	Article Number and contents
	shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	**134.** Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 187 of the Act.
Rights of Members to use votes differently	**135.** On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	**136.** Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	**137.** An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	**138.** No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	**139.** The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	**140.** Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.

Title of Article	Article Number and contents
Validity of votes given by proxy notwithstanding revocation of authority	**141.** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	**142.** No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	**143.** The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	**144.** If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	**145.** Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.

Title of Article	Article Number and contents
Appointment of Directors	**146.** The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	**147.** Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	**148.** (a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places. (b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company. (c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall *ipso facto* vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.

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	(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. (e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.. Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.
Special Director	**149.** (a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter. (b) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or

Title of Article	Article Number and contents
	any partner or such person and shall be delivered to the Company at its registered office. (c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more then one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.
Limit on number of non-retiring Directors	**150.** The provisions of Articles 147, 148 and 149 are subject to the provisions of Section 255 of the Act and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	**151.** The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	**152.** The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	**153.** Subject to the provisions of Section 260 of the Act, the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.

Title of Article	Article Number and contents
Qualification shares	**154.** A Director need not hold any qualification shares.
Directors' sitting fees	**155.** The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	**156.** Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii. by way of commission if the Company by a Special Resolution authorized such payment.
Traveling expenses incurred by Directors on Company's business	**157.** The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	**158.** The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.

Title of Article	Article Number and contents
Board resolution necessary for certain contracts	**159.** (a) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company: (a) For the sale, purchase or supply of goods, materials or services; or (b) for underwriting the subscription of any Share in or debentures of the Company; (c) nothing contained in clause (a) of sub-clause (1) shall affect:- (i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or (ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business. **PROVIDED THAT** such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts. (b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into. (c) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into. (d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board. (e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation

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	thereby established
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole-time Director	**160.** When the Company:- (a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.
Directors of interest General notice of disclosure	**161.** (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act. (b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.
Directors and Managing Director may contract with Company	**162.** Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.
Disqualification of the Director	**163.** A person shall not be capable of being appointed as a Director of the Company if:- (a) he has been found to be of unsound mind by a Court

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	of competent jurisdiction and the finding is in force; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force, unless the leave of the Court has been obtained for his appointment in pursuance of that Section.
Vacation of office by Directors	**164.** The office of Director shall become vacant if:- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or (b) he applies to be adjudged an insolvent; or (c) he is adjudged an insolvent; or (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or (e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or (f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or (g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or (i) he becomes disqualified by an order of the Court under Section 203 of the Act; or (j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or (k) if by notice in writing to the Company, he resigns his office, or

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	(l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
Vacation of office by Directors (contd.)	**165.** Notwithstanding anything contained in sub-clauses ©, (d) and (i) of Article 164 hereof, the disqualification referred to in these clauses shall not take effect: (a) for thirty days from the date of the adjudication, sentence or order; (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.
Removal of Directors	**166.** (a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office. (b) Special Notice as provided by these Articles or Section 190 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed. (c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting. (d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so: (i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and (ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:

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	Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter. (e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 152 or Section 262 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. (f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 152 or Section 262 of the Act, and all the provisions of that Article and Section shall apply accordingly Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors. (g) Nothing contained in this Article shall be taken:- (i) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or (ii) as derogating from any power to remove a Director which may exist apart form this Article.
Interested Directors not to participate or vote in Board's proceedings	**167.** No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely; (i) in his being: (a) a director of such company; and

Title of Article	Article Number and contents
	(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or (ii) in his being a member holding not more than two percent of its paid-up share capital.
Director may be director of companies promoted by the Company	**168.** A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.
Appointment of Sole Selling Agents	**169.** The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable. The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	**170.** Not less than two third of the total number of Directors shall: (a) Be persons whose period of the office is liable to termination by retirement by rotation and (b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.
Retirement of Directors	**171.** Subject to the provisions of Articles 149 and 151, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.

Title of Article	Article Number and contents
Retiring Directors	**172.** Subject to the provisions of Section 256 of the Act and Articles 147 to 154, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 185, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	**173.** (a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors. (b) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	**174.** Subject to Section 256 of the Act, the Directors retiring by rotation under Article 172 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	**175.** A retiring Director shall be eligible for re-election and shall act as a Director through out and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	**176.** At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of	**177.** (a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till

Title of Article	Article Number and contents
appointment	the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: (i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. (ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. (iii) he is not qualified or is disqualified for appointment. (iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or (c) The proviso to the sub-section (2) of section 263 of the Act is applicable to the case.
Company may increase or reduce the number of Directors or remove any Director	**178.** Subject to the provisions of Section 252, 255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	**179.** (a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it. (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply. (c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for	**180.** (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to

Title of Article	Article Number and contents
office of Directors except in certain cases	propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director. (2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place. (3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed. (4) A person other than: (a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or (b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.
Disclosure by Directors of their holdings of their Shares and debentures of the Company	**181.** Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body	**182.** A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other

Title of Article	Article Number and contents
Corporate	governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	**183.** Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. (a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956. (b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	**184.** Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	**185.** Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

Title of Article	Article Number and contents
Powers of Managing Director	**186.** The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	187. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.
	188. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.
	189. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	190. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	**190A** The Board may, from time to time, appoint any person as Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and

Title of Article	Article Number and contents
	conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Title of Article	Article Number and contents
Power to appoint Whole-Time Director and/or Whole-time Directors	**191.** Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 192 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions Whole time Directors shall subject	**192.** Subject to the provisions of Section 255 of the Act and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall *ipso facto* and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	**193.** If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Meeting of Directors	**194.** The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	**195.** (a) Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time. (b) For the purpose of clause (a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	**196.** If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	**197.** The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.

Title of Article	Article Number and contents
Question at Board meeting how decided	**198.** Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	**199.** A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	**200.** The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	**201.** The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	**202.** (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are

Title of Article	Article Number and contents
	entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	**203.** All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	**204.** The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking; (b) remit, or give time for the repayment of, any debt due by a Director, (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (e) contribute to charitable and other funds not directly relating to the business of the

Title of Article	Article Number and contents
	Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body; (i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e) (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
Certain powers to be exercised by the Board only at Meetings	**205.** (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board; (a) the power to make calls, on shareholders in respect of money unpaid on their Shares, (b) the power to issue Debentures, (c) the power to borrow moneys otherwise than on Debentures, (d) the power to invest the funds of the Company, and (e) the power to make loans Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause ©,(d) and (e) to the extent specified below. (2) Every resolution delegating the power referred to in sub-clause (1)© above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate. (3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.

Title of Article	Article Number and contents
	(4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
Certain powers of the Board	**206.** Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power: (1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act. (3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. (5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. (6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made

Title of Article	Article Number and contents
	thereon. (9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. (10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. (11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. (12) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. (13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. (14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company. (15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. (16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalizing dividends or for

Title of Article	Article Number and contents
	repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper. (17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause. (18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager. (19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments. (20) Subject to Section 292 of the Act, from time to time and at any time to delegate

Title of Article	Article Number and contents
	to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation. (21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them. (22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. (23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants. (24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India. (25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. (26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

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	(27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (29) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (30) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (31) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (32) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

MANAGEMENT

Title of Article	Article Number and contents
Prohibition of simultaneous appointment of different categories of managerial	**207.** The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :- a) Managing Director and

personnel	b) Manager.

MINUTES

Title of Article	Article Number and contents
Minutes to be made	**208.** (1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	**209.** (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	**210.** Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

Title of Article	Article Number and contents
Secretary	**211.** The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.
The Seal, its custody and use	**212.** **(a) Seal** The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. **(b) Common Seal for use outside India** The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956 **(c) Safe Custody of Seal** The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company. **(d) Affixing of Seal on deeds and instruments'** On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed. **(e) Affixing of Seal on Share Certificates** Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being. **(f) Removal of Common Seal outside the office premises** The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office for affixture and for return to safe custody to the Registered Office.

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	**213.** (a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares; (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	**214.** The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	**215.** No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.
Interim Dividend	**216.** The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	**217.** (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	**218.** Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

Title of Article	Article Number and contents
Dividends in proportion to amounts paid-up	**219.** All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	**220.** No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	**221.** A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	**222.** Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	**223.** The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	**224.** Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.

Title of Article	Article Number and contents
Reserves	**225.** The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	**226.** The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:- (a) where the dividend could not be paid by reason of the operation on any law; or (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or (c) where there is dispute regarding the right to receive the dividend; or (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	**227.** (a) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Starlit Power Systems Limited_____ *(year)* Unpaid Dividend Account". (b) Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act. (c) No unclaimed or unpaid divided shall be forfeited by the Board.
Set-off of calls	**228.** Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that

Title of Article	Article Number and contents
against dividends	the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	**229.** No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the Capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	**230.** (1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) That is desirable to Capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or (c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b) (3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.
Board to give effect	**231.** The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	**232.** (1) 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 and (b) Generally do all acts and things required to give effect thereto.

Title of Article	Article Number and contents
	(2) The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also (b) to authorize 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 capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing Shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Title of Article	Article Number and Contents
	233.
Books to be kept	(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place (b) all sales and purchases of goods by the Company (c) the assets and liabilities of the Company and (d) if so required by the Central Government, such particulars relating to utilization of material or labour or to other items of cost as may be prescribed by the Government Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. (2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarized returns, made upto date at intervals of not

	more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	**234.** No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.
Statements of accounts to be furnished to General Meeting	**235.** The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	**236.** (1) The Company shall comply with the requirements of Section 219 of the Act. (2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting. (3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.
Accounts to be audited	**237.** Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.\
Appointment of Auditors	**238.** (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act. (2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor.

	(3) At every Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless: (a) he is not qualified for re-appointment; (b) he has given to the Company notice in writing of his unwillingness to be re-appointed; (c) a resolution has been passed at that Meeting appointing some body instead of him or providing expressly that he shall not be re-appointed; or (d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with. (4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy. (5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government. (6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	**239.** Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must be served or given	**240.** Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	**241.** Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	**242.** A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	**243.** Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	**244.** The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: (a) Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act.

Title of Article	Article Number and Contents
	(f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.
Inspection of Registers	**245.** The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause © thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

WINDING UP

Title of Article	Article Number and Contents
Distribution of assets	**246.** If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

Title of Article	Article Number and Contents
Distribution in specie or kind	**247.** (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit. (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act. (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.
Right of shareholders in case of sale	**248.** A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	**249.** Subject to the provisions of Section 201 of the Act, every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his

Title of Article	Article Number and Contents
	favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	**250.** Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Title of Article	Article Number and Contents
Secrecy Clause	**251.** Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	**252.** No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Draft Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at A-1/20 LGF Safdarjung Enclave, New Delhi-110029, from date of filing this Draft Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Mandate letter dated August 14, 2013 issue by our Company to the Lead manager.
2. Issue Agreement (Memorandum of understanding) dated January 09, 2014 between our Company and the Lead Manager.
3. Agreement dated January 09, 2014 between our Company and the Registrar to the Issue.
4. Escrow agreement dated (●) among our Company, the Lead Manager, the Escrow Collection Banks, and the Registrar to the Issue.
5. Underwriting agreement dated March 12, 2014 between our Company and Lead Manager.
6. Market Making Agreement dated March 12, 2014 between our Company, the Lead Manager and the Market Maker.
7. Agreement among NSDL, our Company and the Registrar to the Issue dated January 07, 2014.
8. Agreement among CDSL, our Company and the Registrar to the Issue dated December 27, 2013.

MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Resolution of the Board dated October 03, 2013 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra-Ordinary General Meeting dated October 30, 2013 authorizing the Issue.
4. Statement of Tax Benefits dated March 21, 2014, issued by Statutory Auditor, D M & Company.
5. Report of the Peer Reviewed Auditors, V. K. Sehgal & Associates, Chartered Accountants on the Restated Financial Statements for the Financial Year ended as on March 31, 2013, 2012, 2011, 2010 and 2009 and stub period ending September 30, 2013 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Bankers to our Company, the Lead Manager, Registrar to the Issue, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE *vide* letter dated (●) to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
8. Due Diligence Certificate dated March 28, 2014 from the Lead Manager.
9. Copy of Managing Director Agreement with Mr. Yogesh Kumar Gupta and our Company dated October 01, 2013 for his appointment.
10. Copy of the Special Resolution dated October 30, 2013 for the detailed terms of appointment of Mr. Yogesh Kumar Gupta as Managing Director of the Company.

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 other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013 and the guidelines issued by the Government of India or the regulations / guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by the Directors of our Company

Name	DIN	Designation	Signature
Yogesh Kumar Gupta	00315397	Managing Director	
Abhay Kumar Chandalia	01775323	Chairman & Non-Executive and Independent Director	
Surinder Pal	01937783	Executive Director	
Kamaljeet Singh Jaswal	02340493	Executive Director	
Amit Nath Sood	00081072	Non-Executive and Independent Director	

Date: March 28, 2014

Place: New Delhi

Annexure A

FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY SARTHI CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10th calender day from listing day	Benchmark index as on 10th calender day from listing day (closing)	Closing price as on 20th calender day from listing agreement	Benchmark index as on 20th Calendar day from listing day (closing)	Closing price as on 30th calender day from listing day	Benchmark index as on 30th Calendar day from listing day (closing)
1	Bothra Metals & Alloys Limited	12.21	25.00	March 25, 2013	25.50	25.00	0.00	18,681.42	25.75	18,509.70	26.50	18,357.80	27.75	19,406.85
2	Tiger Logistics (India) Limited	7.52	66.00	September 12, 2013	69.20	69.10	4.70	19,781.88	65.85	19,900.96	67.40	19,902.07	60.00	20,607.54
3	R J Bio-Tech Limited	5.00	20.00	September 25, 2013	21.00	22.05	5.00	19,856.24	25.50	19,895.10	44.35	20,547.62	42.55	20,683.52
4	RCI Industries & Technologies Limited	11.52	40.00	January 21, 2014	41.00	38.05	(4.87)	21,251.12	31.05	20,513.85	28.80	20,334.27	28.01	20,536.54
5	B.C. Power	10.36	18.00	March 14,	17.15	18.10	0.55	21,809.80	17.30	22,055.48	-	-	-	-

	Controls Limited			2014										

Sources: All share price data is from www.bseindia.com

Note:-

1. The BSE Sensex is considered as the Benchmark Index
2. Price on BSE is considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day (trading holiday), closing price on BSE of the next trading day has been considered
4. In case 10th/20th/30th day there is no trade then the closing price of the next day when trading has taken place has been considered

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs.Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30th Calender day from listing date			Nos of IPOs trading at premium on 30th Calender day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	-	-	-	1	-	-	-
13-14	4	34.39	-	-	1	-	-	3	-	-	1	-	2	-

As on the listing day, the price of Bothra Metals & Alloys Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.