



AMBITION MICA LIMITED

Our Company was incorporated as “Ambition Mica Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 19, 2010 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad bearing Registration No. 059931 in Ahmedabad, Gujarat. Subsequently our Company was converted into a public limited company vide fresh Certificate of Incorporation dated March 25, 2015 and the name of our Company was changed to “Ambition Mica Limited”. The Corporate Identity Number of our Company is U25202GJ2010PLC059931. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 63 and 145 respectively of this Prospectus.

Registered Office: Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad - 382230, Gujarat, India

Tel. No.: 079 - 65417241; **Fax No.:** NA

Contact Person: Nisha Jha, Company Secretary and Compliance Officer

Email: investor@ambitionmica.com; **Website:** www.ambitionmica.com

PROMOTERS OF OUR COMPANY: VELJIBHAI PATEL & GOVINDBHAI PATEL

THE ISSUE

PUBLIC ISSUE OF 10,74,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF AMBITION MICA LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 40 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 30 PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING RS. 429.60 LAKHS (“THE ISSUE”), OF WHICH 54,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 40 PER EQUITY SHARE, AGGREGATING RS. 21.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 10,20,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 40 PER EQUITY SHARE, AGGREGATING RS. 408.00 LACS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.03% AND 25.67% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS.40 IS 4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 268 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through ASBA process. A copy has been delivered for registration to the Registrar of Companies as required under section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (“SEBI ICDR REGULATIONS”). For further details please refer the section titled ‘The Issue’ beginning on page 62 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. 40 per Equity Share is 4 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled “Basis for Issue Price” beginning on page 94 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and this 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 the contents of this Prospectus. **Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 17 of this Prospectus.**

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited (‘BSE’). In terms of the Chapter XB of the SEBI ICDR Regulations, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated May 7, 2015 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, SME Platform of BSE shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
 108, Madhava Premises Co-operative Housing Society Limited
 Bandra Kurla Complex
 Bandra (East), Mumbai - 400051
Tel: +91-22 2659 8687
Fax: +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Mr. Mahavir Lunawat
SEBI Registration No: INM000012110



REGISTRAR TO THE ISSUE

KARVY COMPUTERSHARE PVT. LTD.
 Karvy Selenium Tower B, Plot 31-32
 Gachibowli, Financial District
 Nanakramguda, Hyderabad – 500 032, India
Toll free No.: 1800 3454 001
Tel: +91-40 6716 2222
Fax: +91-40 23431551
Email: ambition.ipo@karvy.com
Website: www.karisma.karvy.com
Contact Person: Mr. M Murali Krishna
SEBI Registration Number: INR000000021



ISSUE PROGRAMME

ISSUE OPENS ON : TUESDAY, JUNE 23, 2015

ISSUE CLOSES ON : TUESDAY, JUNE 30, 2015

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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

DEFINITION AND ABBREVIATION

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

Company Related Terms

| Term | Description |
|---|--|
| “Ambition Mica Ltd”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company” | Ambition Mica Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 |
| 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 M/s. Hitesh Gohel & Co., Chartered Accountants |
| Banker to our Company | Bank of Baroda and The Ahmedabad Mercantile Co-operative Bank Ltd |
| “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 | Nisha Jha, Company Secretary, Ambition Mica Limited |
| 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 fully paid up |
| Equity Shareholders | Persons holding Equity Shares of our Company |
| Group Companies | Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page number 168 of this Prospectus |
| Memorandum of Association or Memorandum or MOA | The Memorandum of Association of our Company, as amended from time to time |
| Peer Reviewed Auditor | The Peer Reviewed Auditor of our Company, being M/s. Mistry and Shah, Chartered Accountant |
| “Promoters” or “our Promoters” | Promoters of our company being Veljibhai Patel and Govindbhai Patel |
| 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 “ <i>Our Promoter and Promoter Group</i> ” beginning on page 163 of this Prospectus |
| Registered Office | The Registered office of our Company situated at Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330 |
| RoC / Registrar of Companies, Gujarat | The Registrar of Companies, Gujarat, located at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013, Gujarat. |
| Shareholders | Shareholders of our Company |

Issue Related Terms

| Term | Description |
|--|--|
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants |
| Allotment/ Allot/ Allotted | Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants |
| Allottee(s) | Successful Applicant(s) to whom Equity Shares of our Company have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this 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 Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Bangalore, Hyderabad and Pune. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicant(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 . |
| 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 268 of this 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 |
| Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| 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 http://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 |

| Term | Description |
|---|---|
| | 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 BSE Limited |
| Draft Prospectus | The Draft Prospectus dated April 6, 2015 issued in accordance with section 26 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 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 favour the Applicants (excluding ASBA Applicants) will issue cheques or in respect of the Application Amount when submitting any Application(s) pursuant to this Issue |
| Escrow Agreement | Agreement dated April 6, 2015 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 |
| General Information Document | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI. |
| First/ Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO | Public Issue of 10,74,000 Equity Shares of face value of Rs. 10/- each fully paid of Ambition Mica Limited for cash at a price of Rs. 40/- per Equity Share (including a premium of Rs. 30/- per Equity Share) aggregating Rs. 429.60 lakhs. |
| Issue Agreement | The agreement dated April 6, 2015 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 Prospectus being Rs. 40 /- per Equity Share of face value of Rs. 10 each fully paid |
| Issue Proceeds | Proceeds from the Issue that will be available to our Company, being Rs. 429.60 Lakhs |
| Lead Manager/ LM | Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI registered Category I Merchant Banker |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited |
| Market Making Agreement | Market Making Agreement dated April 6, 2015 between our Company, |

| Term | Description |
|--|---|
| | Lead Manager and Market Maker. |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being BCB Brokerage 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 54,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 40 /- per Equity Share aggregating Rs. 21.60 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 10,20,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 40 /- per Equity Share aggregating Rs. 408 lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. |
| 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 |
| 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 to be filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue i.e. ICICI Bank Ltd under Section 40 of the Companies Act, 2013 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 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with |

| Term | Description |
|---|---|
| | 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 Ltd |
| Refund through electronic transfer of funds | Refund through NECS, Direct Credit, RTGS, NEFT or the ASBA process, as applicable |
| Registrar /Registrar to the Issue | Registrar to the Issue, in this case being Karvy Computershare Private Limited having registered office at 46, Avenue, 4th Street No.1, Banjara Hills, Hyderabad 500 034. |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), 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 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/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries 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 |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated April 6, 2015 entered into between the Underwriter and our Company |
| Working Day | (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 Gujarat 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 |
|-------|---|
| CAGR | Compound Annual Growth Rate |
| CEO | Chief Executive Officer |
| CSO | Central Statistics Office |
| DIPP | Department of Industrial Policy and Promotion |
| ESDM | Electronic System Design And Manufacturing |
| EV | Electrical Vehicle |
| FY | Financial Year |
| G-20 | The Group of Twenty |
| GDP | Gross Domestic Product |
| GST | Goods and Service Tax |
| HPL | High Pressure Laminates |
| HSBC | Hong Kong and Shanghai Bank |
| ICICI | Industrial Credit and Investment Corporation of India |
| IEBF | India Brand Equity Foundation |
| IESA | India Electronics and Semiconductor Association |
| ILO | International Labour Organisation |
| IMF | International Monetary Fund |
| INR | Indian Rupee |
| ISO | International Organization for Standardization |
| JV | Joint Venture |
| Mm | Millimeter |
| MOU | Memorandum Of Understanding |
| MW | Megawatt |
| PE | Private Equity |
| PMI | Purchasing Manager's Index |
| R&D | Research and Development |
| RBI | Reserve Bank of India |
| SED | Strategic Engineering Division |
| SHLCC | State High Level Clearance Committee |
| TALIN | Tactical Advanced Land Inertial Navigator |
| US \$ | American Dollar |

Conventional and General Terms/ Abbreviations

| Term | Description |
|------|---|
| A/C | Account |
| AGM | Annual General Meeting |
| AIF | Alternative Investments Fund |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A.Y. | Assessment Year |
| BSE | BSE Limited |

| Term | Description |
|------------------------|---|
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CMD | Chairman and Managing Director |
| CIN | Corporate Identification Number |
| Companies Act | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013. |
| Companies Act, 2013 | The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections |
| 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 |
| 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 Ownership Plan |
| ESPS | Employee Stock Purchase Scheme |
| EPS | Earnings Per Share |
| FDI | Foreign Direct Investment |
| FCNR Account | Foreign Currency Non Resident Account |
| FEMA | Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under |
| FII(s) | Foreign Institutional Investors |
| FIs | Financial Institutions |
| FIPB | The Foreign Investment Promotion Board, Ministry of Finance, Government of India |
| FPI(s) | Foreign Portfolio Investor |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| F.Y./FY | Financial Year |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry number |
| Goi/ Government | Government of India |
| HNI | High Networth Individual |
| HUF | Hindu Undivided Family |
| ICDR Regulations/ SEBI | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as |

| Term | Description |
|--------------------------------------|---|
| Regulations/ SEBI (ICDR) Regulations | amended from time to time |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| ICAI | Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| IPO | Initial Public Offering |
| IT Rules | The Income Tax Rules, 1962, as amended from time to time |
| INR | Indian National Rupee |
| Key Managerial Personnel / KMP | The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 148 of this Prospectus |
| LPH | liter per hour |
| Ltd. | Limited |
| MD | Managing Director |
| Mtr | Meter |
| N/A or N.A. | 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 |
| 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 |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| RoNW | Return on Net Worth |
| Rs. / INR | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |

| Term | Description |
|---|---|
| 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 |
| 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 Limited |
| 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 | 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 |
| WDV | Written Down Value |
| WTD | Whole-time Director |
| 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 321 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 175 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 17 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 97 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and



- v. In the chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 214 of this Prospectus, defined terms shall have the meaning given to such terms in that section.

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 Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditors, set out in the section titled ‘Financial Statements’ beginning on page 175 this 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 April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this 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 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 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 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, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements’ beginning on page 175 of this Prospectus.

CURRENCY OF PRESENTATION

In this 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 million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations 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 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 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 STATEMENT

This 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, but are not limited to the following:-

- 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 the Industry in which we operate;
- Factors affecting the Industry in which we operate;
- 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 17 and 214 respectively of this 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 Prospectus. Neither we, our Directors, Lead Manager, 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 Lead Manager 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 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.

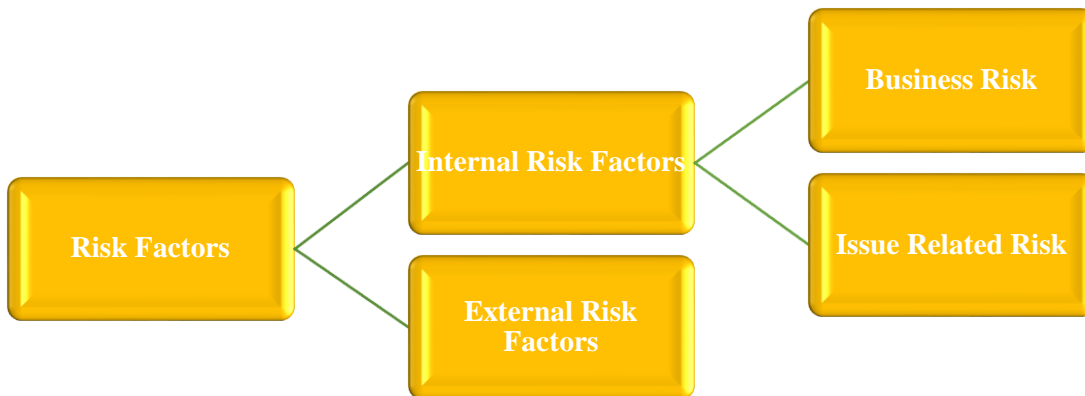
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 120, “Our Industry” beginning on page 107 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 214 respectively, of this 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 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 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:



INTERNAL RISK FACTORS

A. Business Risks / Company specific Risk

- Our product is subject to frequently changing designs, patterns, customer requirements and tastes, our inability to meet such needs or preferences may affect our business.***

Designs and patterns of laminates, especially textured laminates, change frequently, based on the changing customer requirements and tastes. Even, decorative paper, which is the essential raw material for manufacturing textured laminates, is also subject to changing designs and patterns. Our products thus become vulnerable to changing market demand. Inability in successfully predicting changing customer trends could lead to obsolesce in inventory of decorative and for laminated which may turned to be dead stock. Our inability on our part to understand the prevailing trends or our inability to forecast changes as per latest trends or understand the needs of our customers in this industry well in time may affect our growth prospects. Our management expertise lies in designing and styling of our products after identifying latest trends and customer requirements derived through valuable customer feedback and interaction. It is our endeavour to keep ourselves abreast with the latest trends in home décor and to introduce the designs accordingly to broad base our product portfolio and augment our business.

- Our Company and some of our Directors and Promoters are involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.***

Our Company is currently, and may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Any litigation or arbitration could result in substantial costs and a diversion of effort by us and/or subject us to significant liabilities to third parties. There is at present one outstanding taxation related proceeding against our Company pending before the Honourable Commissioner of Income Tax (Appeals)-I, Ahmedabad. Apart from the outstanding appeal before the Honourable Commissioner of Income Tax (Appeals)-I, our Company has also received notices, for the assessment year 2012-13 in respect of the returns filed by our Company, under section 34(2) of the Gujarat Value Added Tax Act, 2003 which provides the

Commissioner the right to serve on a dealer a notice requiring him to appear on a date and place specified therein or cause to be produced the books of account and all evidence on which the dealer relies in support of his returns, if the Commissioner has reason to believe that detailed scrutiny of the case and rule 9(4) Central Sales Tax (Gujarat) Rules, 1970 which provides for summoning a dealer for assessment or reassessment under the Central Sales Tax Act, 1956. Our Company has also made short deductions of Tax Deducted at Source ('TDS') and is, consequently in default under Section 201 of the Income Tax Act, 1961. Similarly, the Company has delayed in filing of its TDS return and is consequently, required to pay a total sum of Rs. 22,564.86 under Sections 234E and 220 (2) of the Income Tax Act, 1961 for the financial years 2011-12, 2012-13, 2013-14, 2014-2015 as evidenced by the Form 26AS available on the website of the Income Tax Department. However, the Company has not received any notice of default from the Income Tax Department till date.

The Directors and Promoters of our Company have also been served with notices, in respect of the returns filed by them for the assessment year 2013-14, under section 143(2) of the Income tax Act, 1961, which provides the assessing officer the right to call upon the assessee to provide evidence in support of his return in order to ensure that the assessee has not understated the income or has not computed excessive loss or has not under-paid the tax in any manner. The Promoters of our Company are also partners of the firms Venus Ply Industries and Anand Timber Mart ('Firms'), both of which are liable for proceedings under taxation laws. Venus Ply Industries has received notices, for the assessment year 2012-13 regarding the returns filed by the firm, under section 34(2) of the Gujarat Value Added Tax Act, 2003 and rule 9(4) Central Sales Tax (Gujarat) Rules, 1970. Venus Ply Industries has also received a notice in respect of the return filed by the firm for the assessment year 2013-14 under section 143(2) of the Income tax Act, 1961. Anand Timber Mart has made short deductions of TDS and is, consequently in default under Section 201 of the Income Tax Act, 1961. Similarly, the Company has delaying in filing its TDS return and is consequently, required to pay a total sum of Rs. 21,202 under Section 234E and 220(2) of the Income Tax Act, 1961 for the financial years 2012-13, 2013-14, 2014-2015 as evidenced by the Form 26AS available on the website of the Income Tax Department. However, the firm has not received any notice of default from the Income Tax Department till date.

At present, it is not possible for us to ascertain the exact amount of penalty, if any, apart from what is already disclosed above, that may be levied against our Company, the Directors, Promoters or the Firms for the defaults under the taxation laws. A summary of on going cases are presented below:-

| Name of Entity | Income Tax Cases | | Other Cases | |
|---------------------------|------------------|-----------------|---------------|-----------------|
| | No of Notices | Amount involved | No of Notices | Amount involved |
| Against Company | 1 | NA | 2 | NA |
| Against Promoter/Director | 2 | NA | - | - |
| Against Group Entities | 1 | NA | 3 | NA |

In addition, our Company is subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in its favour. Any adverse decision may have

a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the section titled "Outstanding Litigation and Material Developments" starting from page number 231 of this Prospectus.

3. *Over dependence on imported raw materials may affect profitability*

Major raw materials used for production of laminates include phenol, formaldehyde, melamine and decorative papers majority of which are purchased by us from domestic importers of such products. Raw materials like phenol, formaldehyde and melamine are petrol based and hence their prices are volatile. Over dependence on imports and unavailability of such products from domestic producers may adversely affect our profitability in case the trade relations of India with any of countries from where raw materials are imported get strained in future or the suppliers face any sort of problems due to internal issues of producing countries. Also significant exchange rate fluctuations may affect our Company's business as it may alter the costs of the imports significantly.

Decrease in the availability of raw materials which we require, or volatility in the price of these raw materials may significantly and adversely affect our business, financial condition and results of our operations if we are unable to estimate and accordingly adjust the prices of our product.

4. *We have a limited number of raw material suppliers. Any kind of refusal from them can hinder our production resulting into loss of our clients.*

There are a very few suppliers from whom we procure raw materials like phenol, formaldehyde and melamine and they may allocate their resources to service other clients ahead of us. While we believe that we could find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

5. *Cheap substitutes and competition from unorganised players may affect the business. Further absence of entry barriers into laminates production may attract many players from both organized and unorganized sectors which will escalate competition and resultant price pressure on the products.*

The laminate industry is highly fragmented with unorganized sector forming a significant portion which leads to cheaper products entering the market. Also there are newer substitutes emerging such as plastic which is replacing laminates in its various applications. With the reduction in trade

barriers, there is an increase in production of cheaper products and copying of designs which pose a competition to the existing domestic organized players. This may directly impact our Company's operations.

Further there are low entry barriers for setting up laminates manufacturing unit(s). Plant and machinery required for setting up a laminates manufacturing unit could be easily made and installed at low cost and short time. Thus, due to low investment in machinery many players from the organized as well as the un-organised sector may enter into this industry. The entry of these players may result in competition and resultant price pressure on the products.

Cheaper and substandard products are prevalent in every market segment. These products cater to a different segment of the market and do not impact our market share. However in view of our management with growing preference of the customers for branded/better quality products, there is an assured market for the products of our Company.

6. *Our operations are hazardous and could expose us to the risk of liabilities, lost revenues and increased expenses. Further our product uses paper, which may not be an environment friendly produce.*

Our operations are subject to various hazards associated with the production of resins such as the use, handling, processing, storage and transportation of hazardous materials, as well as accidents such as leakage or spillages of chemicals. Any mishandling of hazardous chemical and poisonous substances could also lead to fatal accidents. In addition, our employees operate heavy machinery at our manufacturing facilities and accidents may occur while operating such machinery. These hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. In addition, we may be subject to claims of injury from indirect exposure to hazardous materials that are incorporated into our products. Liabilities incurred as a result of these events have the potential to adversely impact our financial position. While we maintain general insurance against these liabilities, insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur. Further we use paper as raw material which may not be used considered as an environment friendly produce. This could have adverse consequences on our business model in medium to long term.

7. *Inability to meet our working capital requirements may have an adverse effect on our results of operations.*

Our business is working capital intensive. Major portion of our working capital is consumed towards trade receivables and inventories. Summary of our working capital position is given below:-

Rs in lakhs

| Particulars | For the year ended | | | | |
|------------------------------|--------------------|--------|--------|--------|------------------|
| | 2011 | 2012 | 2013 | 2014 | January 31, 2015 |
| A. Current Assets | | | | | |
| a. Inventories | 195.04 | 460.81 | 706.42 | 940.36 | 1,020.43 |
| b. Trade Receivables | - | 339.30 | 561.95 | 886.93 | 932.58 |
| c. Cash and Cash Equivalents | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |

| Particulars | For the year ended | | | | |
|---|--------------------|---------------|-----------------|-----------------|------------------|
| | 2011 | 2012 | 2013 | 2014 | January 31, 2015 |
| d. Short Term Loans & Advances | 152.04 | 23.15 | 24.77 | 39.76 | 9.57 |
| e. Other Current Assets | 0.92 | 16.77 | 41.87 | 70.92 | 57.68 |
| Total (A) | 515.39 | 852.53 | 1,384.33 | 2,037.02 | 2,022.10 |
| B. Current Liabilities | | | | | |
| Short Term Borrowings | 224.59 | 208.96 | 404.99 | 334.81 | 497.05 |
| Trade Payables | 132.70 | 445.06 | 733.55 | 1,193.57 | 1,112.01 |
| Other Current Liabilities | 73.06 | 96.20 | 133.56 | 215.84 | 221.47 |
| Short Term Provisions | 1.54 | 38.38 | 3.02 | 3.02 | 40.63 |
| Total (B) | 431.89 | 788.60 | 1,275.12 | 1,747.24 | 1,871.16 |
| Working Capital (A-B) | 83.50 | 63.93 | 109.21 | 289.78 | 150.94 |
| Inventories as % of total current assets | 37.84% | 54.05% | 51.03% | 46.16% | 50.46% |
| Trade receivables as % of total current assets | 0.00% | 39.80% | 40.59% | 43.54% | 46.12% |

We have been sanctioned fund based working capital limits of Rs. 500.00 lakhs from the existing bankers. The business is working capital intensive and involves a lot of investment in inventory as well as debtors. We intend to continue growing by reaching out to newer customers and also increasing the sales in the existing customers. 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. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 88 of this Prospectus.

8. One of Our Promoter Group Company Velsons Laminates Private Limited will soon commence production of laminates and thereby causing a potential conflict of interest.

One of Our Promoter Group Company namely, Velsons Laminate Private Limited (“Velsons”) is in advanced stages of setting up plant for manufacturing of laminated. Velsons will soon commence commercial production of laminates. Also there is no non-compete agreement entered by us with Velsons, this may result a conflict of interest with respect to business strategies of our Company.

9. Our Company has not complied with certain statutory provisions under Companies Act 1956, and has also delayed in filing of certain forms under the said Acts. Such non-compliances/lapses may attract penalties.

Our Company have failed/delayed in complying with statutory requirements such as obtaining approvals under section 297/314 of the Companies Act, 1956, registration of special resolutions, filing of form for appointment/resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance including the following may in the future render us liable to statutory penalties:

- a. The paid up capital of our Company was more than Rupees One Crore after March 15, 2011 and pursuant to Section 297 of the Companies Act, 1956, our Company was required to take previous approval of Central Government before entering into any contract inter alia with a director of the company or his relative, a firm in which such a director or relative is a partner, or a private company of which the director is a member or director. However, our Company has not taken approval of Central Government before entering into such contracts.
- b. We have in the past, not complied with the provisions of Section 314(1) of the Companies Act, 1956 with respect to appointment of relatives of directors to an “office or place of profit.” The said appointments approved by the shareholders by passing special resolutions, need to be filed with RoC within prescribed time. If any office or place of profit is held in contravention of the provisions of Section 314 (1), the relatives of the directors shall be inter alia, deemed to have vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company.

We have not been furnished with any notices by the RoC/any other statutory authority with respect to this non-compliance. However, we cannot guarantee that we will not be subject to any penalties for the said violations in future.

We have appointed a whole time Company Secretary with effect from March 26, 2015 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

10. Our Company has not been making the required filings under various regulations applicable to us in a timely manner.

Our Company is required various regulations applicable to it like Companies Act, 2013, Environment (Protection) Act, 1986, Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974, Hazardous Waste Management & Handling Rules, 2008, Gujarat Commercial Tax, Central Excise Act, 1944, Income Tax Act, 1961 etc. to make filings with various authorities constituted under the said acts some of which has not been done within the stipulated time period at some instances. Due to these delays in filings, our Company had on several occasions paid the requisite late fees. Also our Company has filed some forms incorrectly. While this could be attributed technical lapses and human errors, our Company has now appointed a whole time company secretary and is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

11. Our Top 10 distributors contribute more than 75% of our gross revenues for the period ending March 31, 2014. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our Top 10 distributors contribute more than 75% of our revenues for the period ending March 31, 2014. Any decline in our quality standards, growing competition and any change in the demand for our quality standards, growing competition and any change in the demand for our services 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 customers might change as we continue to add new customers in normal course of business. Our Company and our management

have been able to maintain and strengthen these business relationships over a period of time. We believe that we may not foresee substantial challenges in maintaining our business relationship with them or finding new customers.

12. Our success depends largely upon the services of our Directors and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

Our Directors have built relations with clients and other persons who are connected with us. We do not have professional designer for design the laminates and same is being looked after by Rameshbhai Patel, whole time director of Our Company. Our success is substantially dependent on the expertise and services of our Directors and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

13. We have a very limited operating history, which may make it difficult for investors to evaluate our historical performance or future prospects.

Our Company was incorporated on March 19, 2010. We have a very limited operating history from which you can evaluate our business, future prospects and viability. As a result, our future revenue and profitability are difficult to estimate and could fluctuate significantly and, as a result, the price of our Equity Shares may be volatile. Further Our Promoters are first generation entrepreneurs. Their experience in managing and being instrumental in the growth of our company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth.

14. Our business is dependent on our manufacturing facilities, all of which are geographically located in one area. Any loss or shutdown of operations at our manufacturing facilities in Village Zak, District Gandhinagar may have an adverse effect on our business and results of operations.

Our only manufacturing facility is located at Village Zak, District Gandhinagar. As a result, if there is any local unrest, natural disaster or breakdown of services and utilities in Zak, it may adversely affect our business. Further our manufacturing activities are subject to operating risks which include inter-alia breakdown or failure of power supply, equipment, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents etc. We have not experienced any significant disruptions in operations in the past. However their occurrence cannot be ruled out. If and when they occur they could have material adverse effect on our business, results of operations or financial condition.

15. Land on which our existing manufacturing facility is located is not owned by us. In the event, we are unable to renew the rent/leave and license agreements, or if such agreements are terminated, we may suffer a disruption in our operations.

Land on which our manufacturing unit at Zak, Ahmedabad is located, has been taken by us on rent/leave and license from two lands owner one of whom is owned by our Director Monghiben Patel. These agreements are renewable on mutually agreed terms. Upon completion of tenure of agreements, we are required to return the said premises to the lessor/licensor, unless renewed.

For details on properties taken on lease/rent by us please refer to the heading titled “Land & Property” in chapter titled “Our Business” beginning on page 120 of this Prospectus.

16. Property at which our Registered Office is located is registered in the name of our former Director Prahladbhai Patel, however the consideration for the said properties have been paid by our Company.

Our Company has purchased property at which our registered located from Raghav Infrastructure. Due to inadvertence, the sale deed in respect of the said property has been registered in the name of our former Director Prahladbhai Patel. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Property. Our former director Prahladbhai Patel will continue to do such acts, deeds, matters and things as are necessary with respect to the said Properties, for and on behalf of the Company, in accordance with the directions of the Board of Directors and subject to applicable laws. In this regard Prahladbhai Patel has executed a Declaration-cum-Undertaking dated March 23, 2015.

17. We are subject to restrictive covenants in secured debt facility provided to us by our lender.

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, including approvals obtained from our lender for this Issue, please refer chapter titled “Financial Indebtness” beginning on page 225 of this Prospectus.

18. Our Company has negative operating and investing cash flow in the past years details of which are given below: Sustained negative cash flow could impact our growth and business.

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.

(Rs. In Lakhs)

| Particulars | For the year or period ended on | | | | |
|--|---------------------------------|----------|----------|----------|------------------|
| | March 11 | March 12 | March13 | March 14 | January 31, 2015 |
| Net Cash Flow from/(used in) Operating Activities | (144.60) | 84.42 | 72.40 | 240.48 | 208.77 |
| Net Cash flow from /(Used in) Investing Activities | (500.09) | (61.05) | (450.39) | (138.09) | (47.27) |

| | | | | | |
|---|--------|----------|--------|---------|----------|
| Net Cash Flow from/(used in) Financing Activities | 812.09 | (178.26) | 414.47 | (52.66) | (258.72) |
|---|--------|----------|--------|---------|----------|

Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. Our Company is a new company and is in initial phases of its life cycle where the operating & investing cash flows are generally negative due to investments in fixed assets and working capital.

19. We have taken guarantees from Promoters, Directors as well as others in relation to debt facilities provided to us.

We have taken guarantees from Promoters, Directors as well as others in relation to all our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantee/s, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled "Financial Indebtedness" beginning on page 225 of this Prospectus.

20. We have not applied for certain statutory and regulatory approvals, registrations and licenses. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.

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.

Our Company has not yet obtained certain statutory and regulatory approvals, registrations and licenses such as the professional tax enrolment certificate, professional tax registration certificate, registration under the Gujarat Shops and Establishments Act, 1948 for our registered office. Our Company is also yet to receive renewal for its boiler registration certificate under the Indian Boilers Act, 1923 for one of the boilers used by our Company with the registration number GT-5195. Such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations

For further details of approvals, licenses, registrations and permits required by our Company please see the chapter titled "Government and Other Statutory Approvals" on page 239 of this Prospectus.

- 21. *Within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 88 of this 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 the Issue have not been appraised by any bank or financial institution.***

We intend to use Issue proceeds towards meet long term working capital requirement, issue expenses and general corporate purpose. We intend to deploy the Net Issue Proceeds in FY 2015-2016 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 chapter titled "Objects of the Issue" beginning on page 88 of this 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 the Issue' beginning on page 88 of this 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.

- 22. *Our Company does not have any long- term contracts with our dealers/retailers/distributors which may adversely affect our results of operations.***

Our Company does not have any long-term contract with any of dealers/retailers/distributors for our products. Our inability to sell our existing products, may adversely affect our business and profitability in future.

- 23. *Availability of inadequate labour, work stoppages and other labour problems could adversely affect our business.***

We require skilled and unskilled labour for successful running of our operations. Any shortage of adequate labour and stoppage due to any labour related issues may affect smooth running of our operations.

- 24. *Our dependency to a certain extent on contract labour for the performance of some of our operations may adversely affect our business.***

Our Company rely on certain labour contractors who provide us on-site labour for performance of some of our operations. In case of failure in complying with statutory obligations by the labour contractors the same has to be fulfilled by our Company which may eventually result in an increase in our wage cost and may affect our profitability.

- 25. *Revenues can be adversely affected if our Company would unable to maintain distribution network***

Our company sells our products with the help of distribution network of various dealers/retailers/distributors. Our company has around 20 distributors across India. The distribution network sells our products to end users. Our inability to maintain our existing distribution network or to expand it further as per the requirement of our proposed increased capacities, can adversely

affect our revenues. In case, if we are not able to market our manufactured products, it may affect our operations and profitability adversely.

26. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory.

27. Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of products.

Our Company uses services of third party transportation providers for supply of raw materials as well as delivery of finished products. Our Company relies on fleet of trucks. In the event of non availability of fleet of trucks, due to strike or any other reason may have an adverse impact on the receipt of supplies of raw material and delivery of the finished products thereby adversely affecting our operations.

28. Our Company has availed unsecured loans in past and may avail in future loans from related parties which were repayable on demand.

We have availed in past unsecured loans from related parties. For further details in relation to the unsecured loans, please refer the chapter “Financial Statements as Restated” beginning on page 175 of this Prospectus. Unsecured loans may be called at any time by these Parties. In the event these loans are required to be re-paid on a short notice, our Company may have to arrange for additional funds which may impact our financials

Currently there are no outstanding loans from related parties.

29. Some of our Group Entities have incurred losses in financial year ended March 31, 2013 and one of the Group Companies has a Negative Networth.

One of Our Group Entities has incurred losses in the F.Y. 2013-14 and has a Negative Networth. For further details regarding the performance of our Group Entities, please refer to Chapter titled “Our Group Entities” on page 168 of this Prospectus.

30. Our promoter and directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration

Our promoter and directors may be deemed to be interested to the extent of the Equity Shares held, loans advanced by them and rent received by them or their relatives and benefits deriving from their directorship in our Company. For further details, please refer to the chapters titled “Our Business”, “Our Promoter and Promoter Group” and “Related Party Transactions” beginning on page 120, 163 and 173 respectively of this Prospectus

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

The Company has not proposed any dividend till date. 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.

32. *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 cause 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.

33. *We may not be successful in implementing our business strategies.*

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

34. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

Modernization and technology upgradation is essential to provide better services. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to section “Related Party Transactions” in Section “Financial Statements” beginning on page 175 of this Prospectus.

36. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters and Promoters Group will collectively own 72.97 % of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our equity shares.

37. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of the our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labor, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

38. Our operating results depend on the effectiveness of our marketing and advertising programs.

Our revenues are heavily influenced by product marketing, awareness and advertising. Our marketing and advertising programs may not be successful and we may, therefore, fail to attract new customers and retain existing customers. If our marketing and advertising programs are unsuccessful, our results of operations could be materially adversely affected.

The support of our employees is also critical for the success of our marketing programs and any new strategic initiatives we seek to undertake. While we can mandate certain strategic initiatives, we need the active support of our employees if the implementation of these initiatives is to be successful. The failure of our employees to support our marketing programs and strategic initiatives could adversely affect our ability to implement our business strategy and could materially harm our business, results of operations and financial condition.

39. Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and workmen's compensation etc. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and are subject to exclusions and deductibles. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For details of insurance availed by us please refer heading titled 'insurance' in the chapter 'Our Business' beginning on page 120 of the Prospectus.

40. Some of our rent/leave and license agreements may have certain irregularities.

Some of the agreements entered into by us with respect to our manufacturing facilities and other leasehold/leave and license premises may not be adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

41. 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 favourable 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.

42. Any change in interest rates and banking policies may have an adverse impact on our Company's profitability.

The Company is dependent on bank(s) and financial institution(s) for arranging the Company's Working Capital Requirements, Term Loans, etc. Accordingly, any change in the extant banking policies or increase in interest rates may have an adverse impact on the Company's profitability.

B. Risk relating to the Issue

43. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

44. 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.

45. 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 the Company or pertaining to the Laminate Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;

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.

46. 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 book build method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 94 of this 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.

47. 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 investor’s demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this 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 New Companies Act, 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.

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

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

SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

EXTERNAL RISK FACTORS

49. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- A change in the central or Gujarat state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- A slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.
- Civil unrest, acts of violence, terrorists attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies could involve higher degree in risk which could reduce the value of the equity shares.
- National disasters in India may disrupt or adversely effect the Indian economy which in turn may affect the health of our business
- Any downgrading of Indian Sovereign rating by international credit rating agencies may negatively impact our business and access to capital

50. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

51. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.

As stated in the reports of the Auditor included in this Prospectus on page 175, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

52. The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

53. You may be subject to Indian taxes arising out of capital gains on the sale of the 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 realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain realised on the sale of

listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

54. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the laminates industry contained in the Prospectus.

While facts and other statistics in the Prospectus relating to India, the Indian economy and the laminates industry has been based on various government publications and reports from government and private agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled 'Our Industry' beginning on page 107 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

56. 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.

57. 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 non-residents 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.

58. 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.

59. Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.

In this globalized 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 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.

60. 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.

61. *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:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

62. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.*

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

63. *The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.*

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factor The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 "avian flu" virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

PROMINENT NOTES

- Public Issue of 10,74,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 40/- per Equity Share (including a share premium of Rs. 30/- per equity share) ("Issue Price") aggregating upto Rs. 429.60 Lakhs, of which 54,000 Equity Shares of face value of Rs. 10 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. Net Issue of 10,20,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.03% and 25.67%, respectively of the post Issue paid up equity share capital of the Company.
- Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 63 of this Prospectus.
- The pre-issue net worth of our Company was Rs. 656.74 Lakhs, Rs. 514.45 Lakhs, Rs. 337.16 Lakhs, and Rs. 224.58 Lakhs for the period ended January 31, 2015 and as of March 31, 2014, March 31, 2013, and March 31, 2012 respectively. The book value of each Equity Share was Rs. 22.65, Rs. 17.74, Rs. 14.98, and Rs. 11.26 for the period ended January 31, 2015, as of March 31, 2014, 2013, and 2012 respectively as per the restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 175 of this Prospectus.
- The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

| Name of the Promoters | No. of Shares held | Average cost of acquisition (in Rs.) |
|-----------------------|--------------------|--------------------------------------|
| Veljibhai Patel | 6,24,900 | 10 |
| Govindbhai Patel | 7,14,500 | 10 |

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "*Capital Structure*" beginning on page 72 of this Prospectus.

- Our Company has entered into related party for the period ending January 31, 2015 and March 31, 2014. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer Annexure "VI" "*Related Party Transaction*" beginning on page 204 under chapter titled "*Financial Statements as restated*" beginning on page 175 of this Prospectus.
- 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 265 of this Prospectus.
- Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoter and Promoter Group*", "*Our Management*" and "*Related Party Transaction*" beginning on pages 72, 163, 148 and 173 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
- Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 72 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
- Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.



10. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 94 of the Prospectus.
11. 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 our Company during the period of six months immediately preceding the date of filing of this Prospectus with the Stock exchange.
12. Our Company was incorporated as *"Ambition Mica Private Limited"* in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Assistant Registrar of Companies, Ahmedabad, Gujarat. Our corporate identification number is U25202GJ2010PLC059931. For further details please refer to chapter titled *"Our History and Certain Other Corporate Matter"* beginning on page 145 of this Prospectus.
13. Except as stated in the chapter titled *"Our Group Entities"* beginning on page 168 and chapter titled *"Related Party Transactions"* beginning on page 173 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 17 and 175 respectively of this Prospectus before deciding to invest in our Equity Shares.

INDIAN ECONOMY

India is set to become the world’s fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India’s economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

(Source : www.iebf.org)

Outlook for Growth

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 percent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

(Source – Economic Survey 2014-2015; indiabudget.nic.in)

Outlook for Reforms

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 percent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 percent for emerging Asian economies and 29 percent for the emerging market countries in the G-20.

Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.

INDIAN MANUFACTURING INDUSTRY

Introduction

India's growing economy has offered domestic entrepreneurs and international players multiple opportunities to invest. The Government of India has realised the significance of the manufacturing industry to the country's industrial development and is taking necessary steps to increase investment in this sector.

According to a report by Mckinsey and Company, India's manufacturing sector could touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs, by 2025.

Many foreign investors have decided to invest in the country in the recent past due to low cost of setting up of plants and available manpower. For instance, Toshiba Group has planned to make India the design, manufacturing and export hub for its lighting business, and multiply the local headcount to design lights for planned smart cities airports, stadiums, highways, warehouses and factories, said Mr Yoichi Lbi, President & CEO, Toshiba Lighting & Technology Corporation.

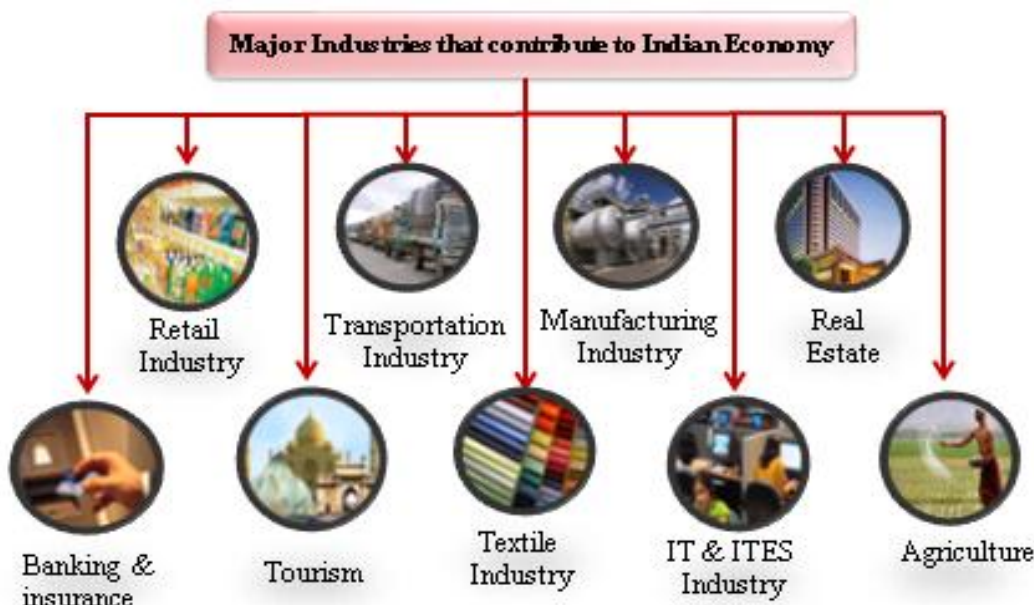
Market Size

Business conditions in the Indian manufacturing sector continued to improve in October, 2014 fuelled by accelerated growth of output and new orders according to the HSBC India Manufacturing Purchasing Managers' Index (PMI) data. According to the PMI, manufacturing operating conditions in India rebounded from 51 in September 2014 to 51.6 in October 2014.

Electronics goods production in India is expected to touch US\$ 104 billion by 2020. The country's electronics market is anticipated to grow to US\$ 400 billion by 2020 and expand at a CAGR of 24.4 per cent during the period 2012-2020.

The domestic market size of the chemical industry is around US\$ 118 billion and it is approximately 3 per cent of the global chemical market, according to a report by Tata Strategic Management Group. It is highly diversified with more than 80,000 chemicals and currently accounts for 15 per cent of manufacturing GDP which makes it very crucial for the economic development of the country.

The major industries that contribute to Indian economy are as shown in the below chart :



Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

The government has an ambitious plan to locally manufacture as many as 181 products India currently imports at a cost of at least US\$ 18.1 billion. The move could also help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1.85 trillion (US\$ 29.07 billion) Indian capital goods business.

To give its ambitious 'Make In India' programme the much needed atmosphere to succeed, the government is expected to come up with a separate set of labour laws governing the Micro, Small and Medium Enterprise (MSME) sector which forms the backbone of the manufacturing sector. The proposed new labour laws for the MSME sector will be applicable to industrial units that employ 40 or less in their workforce and will specifically address the needs of those who are employed in the small factories or manufacturing units.

Once implemented, the new labour laws will provide the ease to do business in India and will also help effectively manage labour unrest and industrial strife and lead to new entrepreneurs entering the manufacturing sector.

The Ministry of Micro, Small and Medium Enterprises (MSME) has signed a memorandum of understanding (MoU) with the International Labour Organisation (ILO) to support the Government of India's 'Make in India' programme.

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, has been awarded ISO 9001:2008 certification, demonstrating the Ministry's mission of promoting the growth and development of MSMEs with dedication and commitment.

In accordance with the Government's 'Make in India' initiative, the Department of Industrial Policy and Promotion (DIPP) has provided a major boost to the manufacturing sector by approving 33 applications. Clearance of these 33 applications and the deregulation of Defense product List excluding a large number of components from purview of industrial licensing will provide a major impetus to advanced manufacturing in Defence sector.

India has recently increased the cap on Foreign Direct Investment in defense manufacturing to 49 per cent due to which German firms are interested in high-end electronic manufacturing in India, according to Mr Ravi Shankar Prasad, Union Minister for Communications and Information and Technology, Law and Justice, Government of India.

Road Ahead

The manufacturing sector in India is an attractive hub for foreign investments. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The electronic system design and manufacturing (ESDM) industry will benefit from the government's Make in India campaign and is projected to see investment proposals worth Rs 10,000 crore (US\$ 1.57 billion) over the next two years, according to the India Electronics and Semiconductor Association (IESA).

The Indian chemical industry is also likely to touch US\$ 190 billion by the financial year 2017-18 on account of increase in demand of the chemicals from industries of various sectors.

Source : <http://www.ibef.org/industry/manufacturing-sector-india.aspx>

INDIAN LAMINATE INDUSTRY

Indian HPL Industry has been consistently growing since last six to seven years. Since 2007 the Decorative Laminate Industry caught up pace with growth and is continuing with entry of new players and capacity expansion by existing ones. The industrial product has been replacing the application of materials like wall paneling and partition areas etc. Industry went on expansion spree during 2009, 2010 and 2011 and took a brief pause to utilize and consume what it installed. As per estimates, India has more than 165 Laminate producing establishments that includes all kinds of laminates. As per BSMR finding during 2013-14, India is currently having around 135 'Decorative' Laminate producing units of which around 7-8 units are non operational.

Below graph shows the number of installed Laminate producing facilities in different states of India.



Survey shows that approximately 125 plus units are considered to be presently operating in India. Although there may be few that are yet to initiate full swing commercial production, but their capacities are almost in place.

High Pressure Laminate (HPL) Production

It is observed that there has been a total production of 1.35 to 1.40 Crore sheets every month in India i.e. approximately 13.5 million sheets per month that includes export and domestic market.

The HPL production capacity has been growing year on year. In terms of number of sheets, the production has seen a growth of 12% approximately since 2010. With growth in decorative laminate demands during 2011 and 2012 by snatching up some share of reconstituted veneers and from the furniture industry (laminates are being used instead of painting the inside areas of furniture), laminates grabbed around 14% growth.

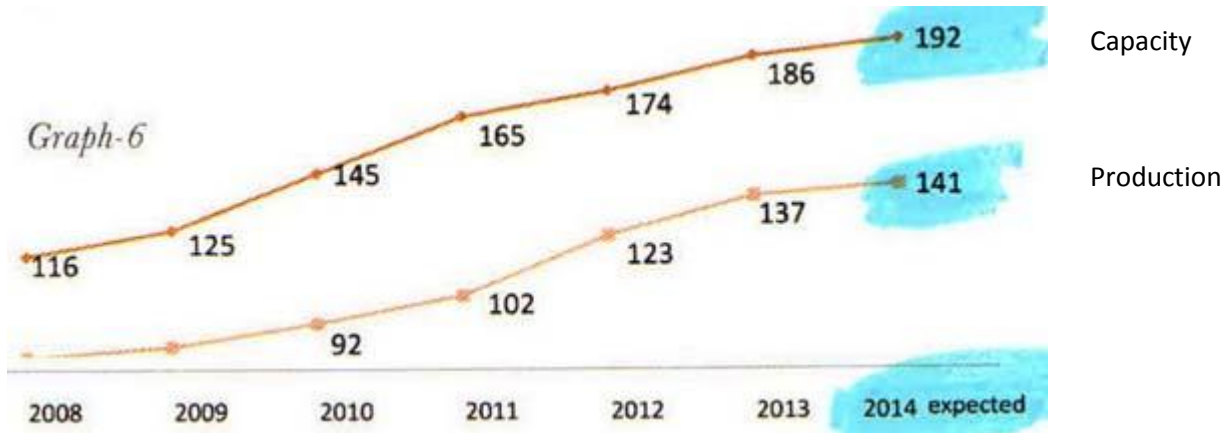
After that, growth in demand has been slow in domestic market but the number in exports, liner grade and 1.00 mm textures has maintained a fair growth enough to fuel production capacity expansions.

Now with highly competitive 1.00 mm domestic market, the capacities that are being added are largely absorbed by the "liner grade or 0.6 mm" and lower thickness material.

PRESENT HPL PRODUCTION IN INDIA

The average production of decorative laminates has crossed approximately 130 million sheets inclusive of all thicknesses but the gap between installed capacity and demand is growing bigger. During FY 2011-2012 phases that gap narrowed with sudden demand in lower thickness segment but later capacities came in place and the Decorative laminate market became a pressure driven market.

The below graph shows the gap which indicates more supply means pressure on pricing, profits etc. It is caution for any new comer that if he enters, he should be prepared for "More investments, more efforts and a long wait for margins".

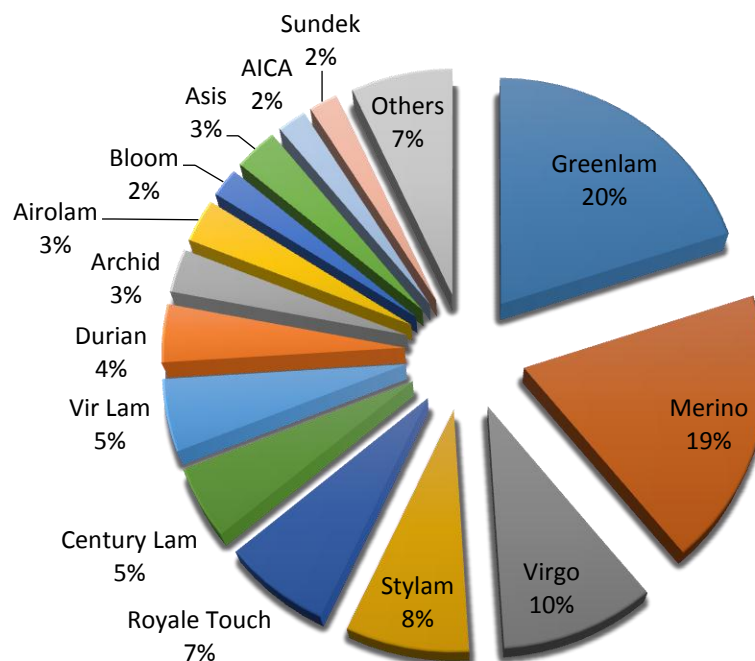


PRODUCTION - ORGANISED PLAYERS

Top Brands

The chart below shows the market share of Leading HPL manufacturing companies from top brands/organized players' category. Green Lam and Merino together accounts for almost 40% of total production in India.

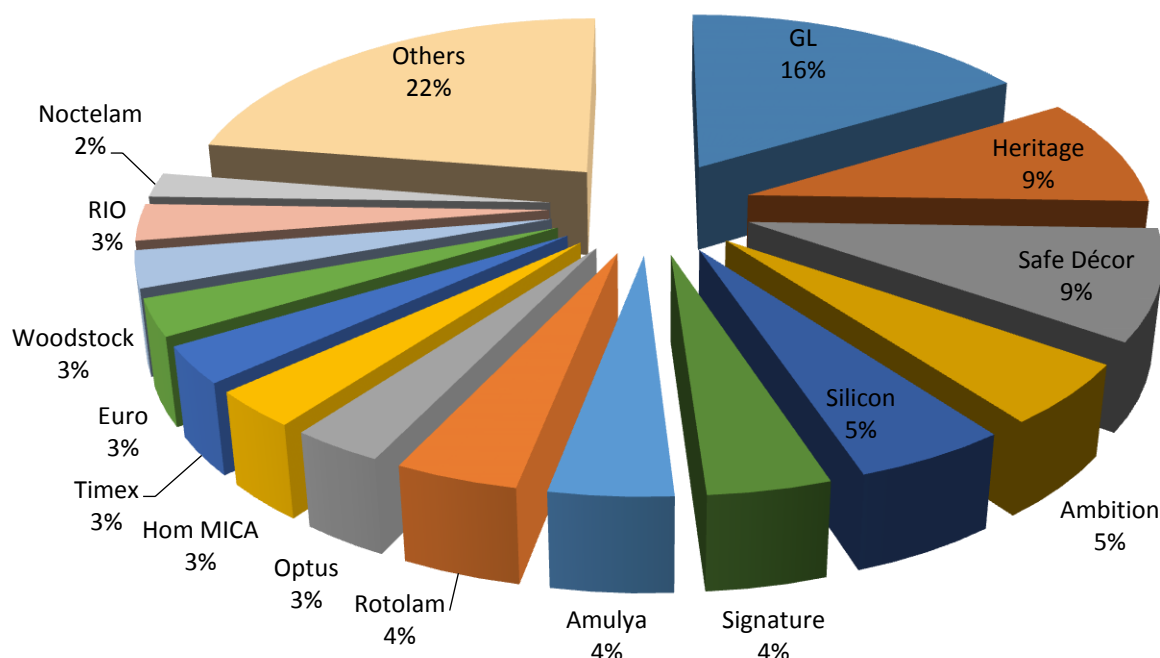
Top Brand Production Share per month



Mid Segment

The Mid segment category very important fraction of the decorative laminate segment as it holds 20 percent of the market share accounting to Volume share or Value, both. This category also includes few of those players who are popular in trade with their economical pricing, but are regarded as a brand, and sell majority lower thickness materials. The Graph below presents a percent and market share in decorative laminates in Indian (on the basis of total production volumes).

Mid Segment Production Share per month



* In Mid segment there are around 22 companies that have been considered on the basis of their quality, market reputation, and competing with organized/top brands in almost all the places or strongly recognized in more than six states or two regions.

ORGANISED Vs. MID Vs. UNORGANISED

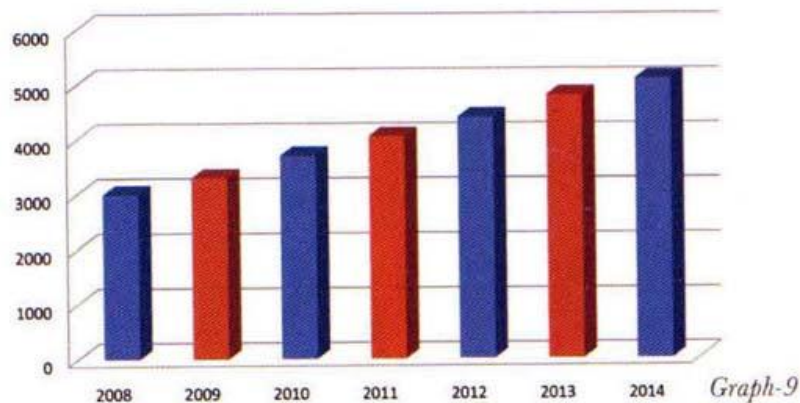
| Category | Qty/month (lacs) |
|-------------|------------------|
| Top Brand | 56 |
| Mid Segment | 27 |
| Unorganized | 54 |

In terms of volumes organized or top brand category is the biggest contributor. The Indian HPL market is now being dominated by Top brands & Mid segment players. Top brands hold approximately 41% in overall share including domestic & export markets but it holds only 34 percent share in domestic

market. The domestic market is mainly led by unorganized category players who hold around 45 percent market share of Indian decorative laminate volumes.

Industry Turnover: The Indian laminate industry and trade is estimated to be of Rs. 4800 Crores per annum in 2013. By 2014 it was expected to touch Rs. 5100 Crores.

The below graph shows the year wise turnover (in Crores INR).

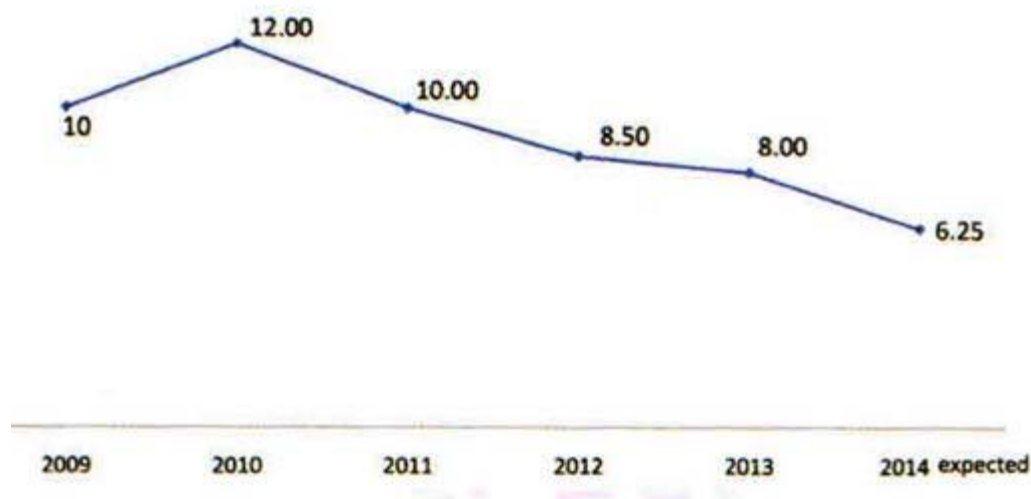


If we compare it to the past few years, the growth has come down by 2 to 3%. Since 2013, value wise Indian laminate industry is growing more in Liner grade or commodity materials where operating margins are already at the base level.

The actual growth in HPL in volumes of quality materials is estimated to be around 5 to 6%, considering the balance contribution to growth due to inflation effects.

Year wise HPL Industry Growth (In Crore INR / annum)

The below chart represents year wise growth registered in HPL industry turnover in India.



* Source: The Ply Reporter - June 2014 Supplement - Laminate Mega Issue.

Source: Indian Laminate Manufacturer's Association_Latest facts and figures

FUTURE OUTLOOK

In 2014 it was anticipated that industry will witness a little better growth post elections. The reasons are positive sentiments, emerging new areas and demand in already growing cities with new Government and growing commitment to work for social growth. With the emergence of new ways in retailing of laminates and other surface materials, Indian HPL industry and trade can hope for better growth, if working with systems and aggression.

SUMMARY OF BUSINESS

Incorporated in Ahmedabad, in the year 2010, our Company is one of the leading manufacturers of mid segment decorative laminates and door skins. Within a short period of our existence, we have garnered 8% market share in 1MM mid segment brands, which is segment second highest, as per survey by Ply Reporter Magazine in the year 2014. We market laminates under brands like Antique, Art Lam, Antique Aurum, Antique colourcore and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch All our brands are owned by our company.

Our Company has BIS Certification Marks License No CM/L 3792388 and all our products are IS 2046 : 1995 compliant in terms of quality. With approximately 1,152 designs in laminates and 429 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have long experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in short period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 20 distributors and 2545 dealers, we serve both industrial and consumer applications and have been able to establish a presence in west and south India.

Our manufacturing process involves Phenol and Formaldehyde as raw material. These chemicals are heated to form Polymeric resin of Phenol Formaldehyde. We use Methanol as solvent and layers of these resins are applied on Decorative Paper. These papers are cut and several layers of such papers are joined according to the required thickness. BOOP film is placed for separating the layers of two adjoining sheets and pressure is applied thereafter to form proper structure. Hydraulic pressure is also applied through multi opening hydraulic press at high temperature to create proper mould. Such laminated sheets are trimmed from all four sides and each sheet is sanded from the back for proper bonding. These laminated sheets are packed and then dispatched.

Our Company believes in emerging technologically. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and iOS platform which is available for download for free in Google Play Store and Apple Store.

With the initiative of going online, launching of mobile application, experience of promoters, strong network of dealers and distributors, presence in the different parts of the country, varied design portfolio, our company aims to focus on adopting innovative manufacturing approaches to meet our client's expectations, quality and become leaders laminate industry.

OUR PRODUCTS

Decorative Laminates: Decorative Laminates are laminated products primarily used as furniture surface materials or wall paneling. They are usually used for furniture tops especially on flat surfaces, including cabinets and tables.





Door Skin: Door skin is a cost effective alternative for artistically covering the doors while minimizing wastage. It is primarily a laminate which comes in standard door sizes and wide variety of designs which can be easily used to cover doors

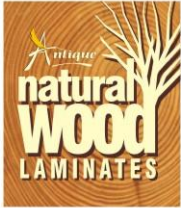
Colour Core Laminate: Colour Core Laminates, with its solid colour throughout are ideal for use in high visibility areas like sales counters, reception desks and furniture and offer enormous possibilities for innovative and trendy interiors.

Electrical Insulation Board: Electrical Insulation Board is basically laminate sheet which is used for manufacture of switch boards.

Our products have both industrial and consumer application and end users of our products are consumers.

OUR BRANDS

| Laminates | |
|---|---|
| Brand | Description |
|  | <p>"ANTIQUÉ" is very popular brand in retail segment of decorative laminates, because of wide range of designs, and good quality. European decorative paper is used which help us to maintain the quality.</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>ART LAM is developed for economic segment which is most preferable and affordable for Indian market. The decorative paper is procured from China. With a view to cater to economy segment have introduced the economic laminate under ART LAM brand.</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>This is our premium product in which we use exclusive design papers. World's biggest decorative paper suppliers exclusively offer these designs to us. These laminates are priced at a premium to regular Antique Laminates</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>LAM ART is the commercial segment laminate which is widely used because of its very economic pricing. Indian decorative base paper is used to manufacture this laminate.</p> <p>Available Sizes: 8' X 4'</p> |

| Laminates | |
|---|--|
| Brand | Description |
|  | <p>Natural wood series of ANTIQUE is new concept introduce us. We select designs from natural veneer and develop the decorative paper. Its cost is very less than veneer and life is higher. This is our popular catalogue in interior and architecture.</p> <p>Available Sizes: 8' X 4'</p> |

| Door Skin | |
|---|---|
| Brand | Description |
|  | <p>Beautique premium metal door skin is manufactured by selectively chosen imported design paper and perforated aluminium foil. It is the only range which contains 100% imported paper that improves longevity.</p> <p>Available Sizes: 7' X 3' & 8' X 4'</p> |
|  | <p>Texas range is specifically designed and highly recommended for main door applications. The range consists of traditional metal door skins, emboss door skins, metal door skins, paper cut door skins, higher resolution digital door skins, and eco door skins.</p> <p>Available Sizes: 7' X 3.25'</p> |
|  | <p>This ready-to-use concept for décor benefits the customer by easing installation, reducing wastage, and minimising costs. Microtouch designer range offers metal door skins, paper cut door skins, high resolution digital door skins and emboss door skins.</p> <p>Available Sizes: 7' X 3' & 8' X 4'</p> |
|  | <p>Door touch eco door skins offer a multitude of cylinder printed designs that can be pasted on flush doors. Its widely spread applications are found in various commercial and residential sectors.</p> <p>Available Sizes: 7' X 3'</p> |
|  | <p>"Antique" Naturalwood Doorskin presents the perfect replacement for veneer doorskin with contemporary design. It is developed by 100% imported paper that improves longevity.</p> <p>Available Sizes: 7' X 3.25'</p> |

OUR MANUFACTURING FACILITY

Our plant is located at Plot No. 309, Vehlal Road, Zak, Ta. Dahegam Dist. Gandhinagar in the state of Gujarat.

EXISTING CAPACITY & UTILISATION

In Sheets

| Year | Installed Capacity | Actual Production | Utilization % |
|--------------------------|--------------------|-------------------|---------------|
| Financial Year 2011-2012 | 6,63,552 | 4,25,606 | 64.14 |
| Financial Year 2012-2013 | 10,50,624 | 5,64,103 | 53.69 |
| Financial Year 2013-2014 | 13,27,104 | 9,20,717 | 69.38 |

*** Note:** The installed capacities mentioned above is on the basis of standard size of laminated sheets. However the actual production is of different size of laminated sheets. The Percentage calculation of utilization does not give the actual capacity utilization as capacity is estimated in terms of 1 mm laminates and actual production is of laminates of different thickness.

Projected capacity and capacity utilization of Decorative Laminate Sheets for the next 3 years is given as under:

In Sheets

| Year | Installed Capacity | Projected Production | Utilization % |
|---|--------------------|----------------------|---------------|
| Financial Year 2014-2015 (Estimated) | 17,69,472 | 854000 | 48.26 |
| Financial Year 2015-2016 | 17,69,472 | 1240000 | 70.08 |
| Financial Year 2016-2017 | 17,69,472 | 1240000 | 70.08 |
| Financial Year 2017-2018 | 17,69,472 | 1240000 | 70.08 |

OUR COMPETITIVE STRENGTHS

We believe that the following are our Primary competitive strengths:

(a) Robust Brand Portfolio

The laminate industry is a fragmented and an unorganized industry. We believe that our brands have created a niche for themselves in the Industry. We have been able to grow and sustain the demand for our brands by offering a constant flow of new and unique designs and finishes.

(b) Very Wide Product Range

| Brand | No of Designs |
|----------------------|---------------|
| Antique | 434 |
| Artlam | 345 |
| Antique Natural Wood | 84 |
| Antique Aurum | 79 |
| Lam Art | 210 |
| Total | 1,152 |
| | |

| Brand | No of Designs |
|-------------------------------|---------------|
| Beautique | 101 |
| Texas | 109 |
| Micro Touch | 108 |
| Door Touch | 65 |
| Antique Natural Wood Doorskin | 46 |
| Total | 429 |

With approximately 1,152 designs in laminated and 429 designs in Door Skins we have one of the largest design portfolio in the Industry. This gives us unmatched competitive edge over our competitors.

(c) Proficient Management Team

Our Promoters have long experience in the industry. Our senior management team has experience in sourcing of raw materials, product designing, operating manufacturing facilities and marketing of laminates. The vision, prudence and dynamism of our management enables us to discover and capitalize on new opportunities and accordingly position ourselves to become leaders in Our industry.

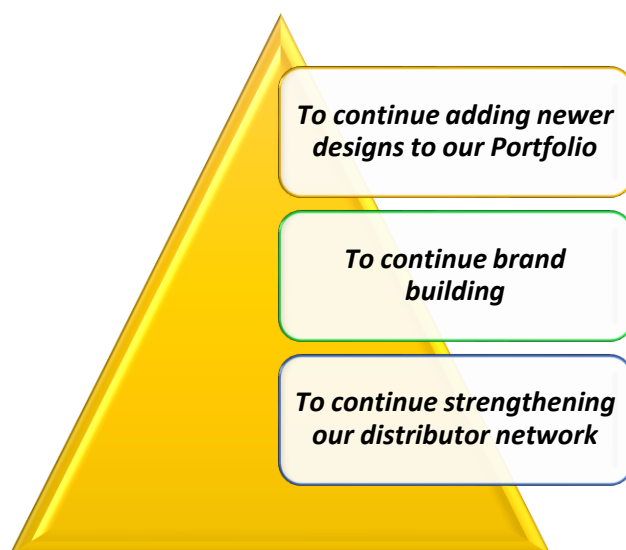
(d) Our Sales Distribution and Marketing Network

We have presence in west and south India through our network of 20 distributors and 2545 dealers. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and Ios platform which is available for download for free in Google Play Store and Apple Store. We participate in number of exhibitions across India to create awareness about our products

(e) High Product Quality

We focus on the quality of the raw materials and finished products at our manufacturing unit to ensure that the desired quality is attained. We have BIS Certification Marks License No CM/L 3792388 and all our products are IS 2046 : 1995 complaint in terms of quality.

OUR BUSINESS STRATEGY



(a) To continue adding newer designs to our Portfolio

Our wide product range provides us competitive edge over our competitors. We will in order to maintain our competitive edge keep on adding newer designs and textures to our product portfolio.

(b) To continue brand building

The economy and industry in general is seeing a shift in market share towards branded products. We will continue to invest in our brands maintain and grow our market share.

(c) To continue strengthening our distributor network

Strength of distribution and sales network is key to success in our industry. We will focus on expanding on our distributorship network by appointing new distributors in states where we have limited presence or no presence.

OUR MARKETING STRATEGY

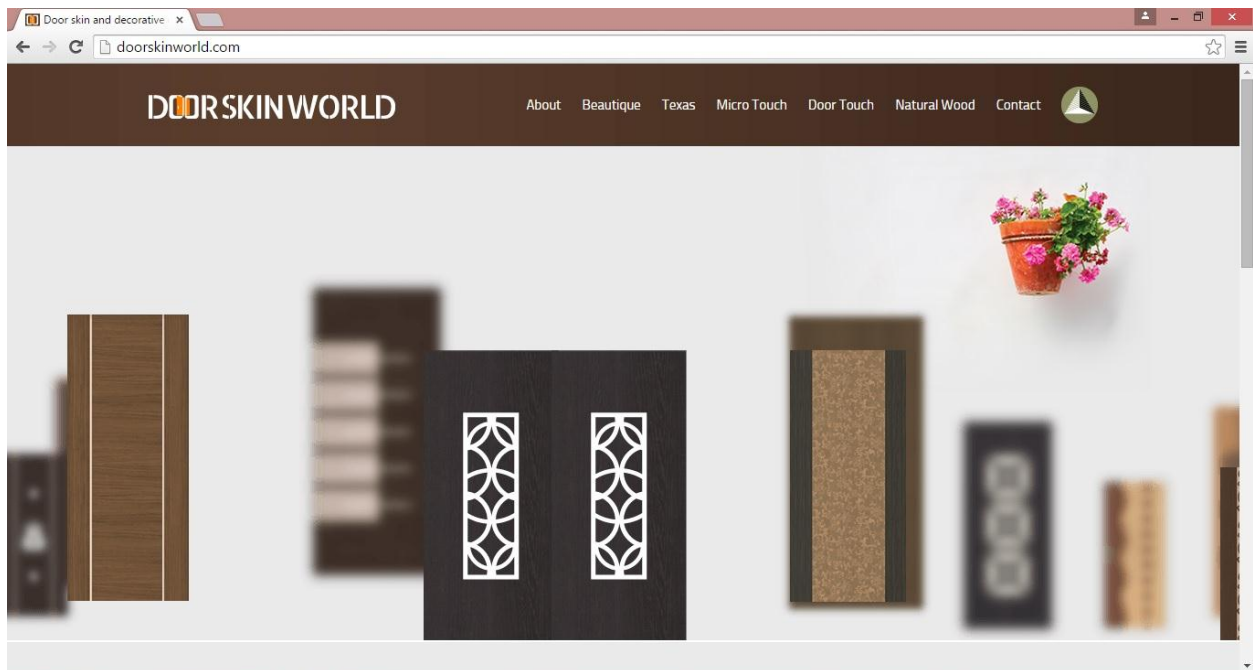
Our robust brand promotion strategy has helped us to emerge as one of the leading Decorative Laminated Sheet manufacturer. Within a short period of our existence we have garnered 8% market share in 1MM Mid segment brands as per survey by Ply Reporter Magazine in the year 2014.

We have presence in west and south India through our network of 20 distributors and 2545 dealers. Following are the details of the nationwide distributors and dealer network covering all important towns and cities:

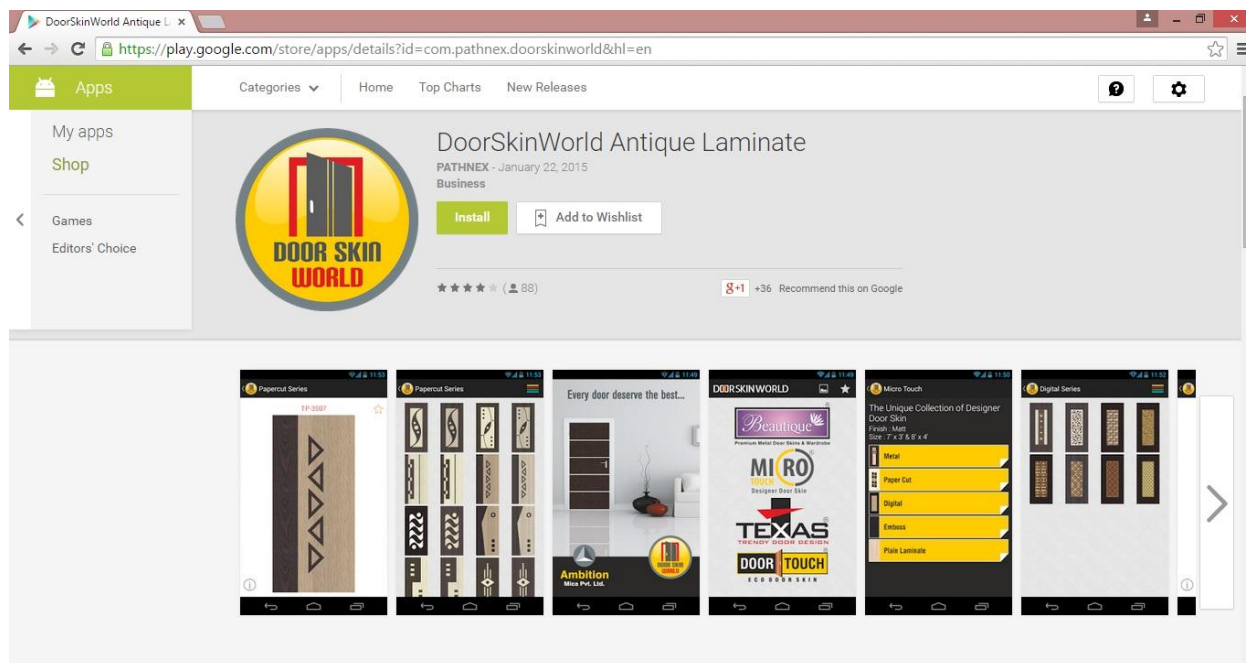
| State | No of Distributors | No of Dealers |
|--------------|--------------------|---------------|
| Chhattisgarh | 2 | 174 |

| State | No of Distributors | No of Dealers |
|----------------------------|--------------------|---------------|
| Gujarat | 6 | 597 |
| Karnataka | 2 | 588 |
| Madhya Pradesh | 1 | 97 |
| Maharashtra | 4 | 698 |
| Odisha | 1 | 40 |
| Rajasthan | 3 | 187 |
| Telangana / Andhra Pradesh | 1 | 163 |
| Uttar Pradesh | 0 | 1 |
| Total | 20 | 2545 |

In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online.



Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and Ios platform which is available for download for free in Google Play Store and Apple Store.



We participate in number of exhibitions across India to create awareness about our products. Details of some of exhibitions where we have participated are given below:

| Sr. No | Name | Year | Location |
|--------|---|------|-----------|
| 1. | Economic Times Acetech | 2013 | Mumbai |
| 2. | Delhi Wood | 2013 | Delhi |
| 3. | Economic Times Acetech | 2014 | Mumbai |
| 4. | India Wood | 2014 | Bangalore |
| 5. | Institute of Indian Interior Designers Show | 2015 | Indore |

We also regularly organize meets with selected distributors and dealers to inform them about new designs and products developed by us and of the introduction of new products. This enables to win assurance of the distributors and dealers to promote our products product. The communication with the distributors and dealers is enables us to assess the performance of our products in the market and enables us to tweak our products to suit customer's requirement.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements". You should read this financial data in conjunction with our financial statements for Financial Year 2012, 2013 and 2014 and period ended January 31, 2015 including the notes thereto and the reports thereon, which appears under the section titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 175 and 214 of this Prospectus.

ANNEXURE – I - STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Amt. in lakhs

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|---------|---|-------|-----------------|-----------------|----------------|-----------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| | EQUITY AND LIABILITIES | | | | | | |
| 1) | <u>Shareholders Funds</u> | | | | | | |
| | a. Share Capital | 2 | 199.50 | 199.50 | 225.00 | 290.00 | 290.00 |
| | b. Reserves & Surplus | 3 | (3.92) | 25.08 | 112.16 | 224.45 | 366.74 |
| 2) | <u>Share Application Money Pending Allotment</u> | | 0.50 | 0.50 | - | - | - |
| 3) | <u>Non Current Liabilities</u> | | | | | | |
| | a. Long Term Borrowings | 4 | 387.50 | 319.34 | 631.88 | 698.47 | 405.20 |
| | b. Deferred Tax Liabilities | | - | 50.69 | 84.72 | 107.47 | 121.62 |
| | c. Long Term Provisions | 5 | - | 0.52 | 0.86 | 3.15 | 6.51 |
| | d. Other Long Term Liabilities | 6 | 99.92 | 133.78 | - | 1.54 | 1.60 |
| 4) | <u>Current Liabilities</u> | | | | | | |
| | a. Short Term Borrowings | 7 | 224.59 | 208.96 | 404.99 | 334.81 | 497.05 |
| | b. Trade Payables | 8 | 132.70 | 445.06 | 733.55 | 1,193.57 | 1,112.01 |
| | c. Other Current Liabilities | 9 | 73.06 | 96.20 | 133.56 | 215.84 | 221.47 |
| | d. Short Term Provisions | 10 | 1.54 | 38.38 | 3.02 | 3.02 | 40.63 |
| | TOTAL (1+2+3+4) | | 1,115.39 | 1,518.01 | 2329.74 | 3,072.32 | 3,062.83 |
| | ASSETS | | | | | | |
| 5) | <u>Non Current Assets</u> | | | | | | |
| | a. Fixed Assets | 11 | | | | | |
| | i. Tangible Assets | | 592.68 | 652.70 | 998.06 | 1,136.19 | 1,181.77 |
| | Less: Accumulated Depreciation | | - | 29.43 | 67.45 | 115.67 | 154.83 |
| | ii. Intangible Assets | | - | 0.34 | 0.25 | 0.17 | 0.10 |
| | iii. Intangible Assets under development | | - | - | - | - | - |
| | iv. Capital Work in Progress | | - | - | - | - | - |
| | Net Block | | 592.68 | 652.70 | 930.87 | 1,020.69 | 1,027.04 |
| | b. Deferred Tax Assets (Net) | | - | - | - | - | - |
| | c. Non-current Investments | 12 | 0.15 | 0.15 | 1.15 | 1.15 | 1.15 |

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|-----------|--------------------------------|-------|-----------------|-----------------|-----------------|-----------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| | d. Long Term Loans & Advances | 13 | 0.97 | 6.77 | - | - | - |
| | e. Other Non Current Assets | 14 | 6.22 | 5.87 | 13.38 | 13.45 | 12.53 |
| 6) | <u>Current Assets</u> | | | | | | |
| | a. Inventories | 15 | 195.04 | 460.81 | 706.42 | 940.36 | 1,020.43 |
| | b. Trade Receivables | 16 | - | 339.30 | 561.95 | 886.93 | 932.58 |
| | c. Cash and Cash Equivalents | 17 | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |
| | d. Short Term Loans & Advances | 18 | 152.04 | 23.15 | 24.77 | 39.76 | 9.57 |
| | e. Other Current Assets | 19 | 0.92 | 16.77 | 41.87 | 70.92 | 57.68 |
| | T O T A L (5+6) | | 1,115.39 | 1,518.01 | 2,329.74 | 3,072.32 | 3,062.83 |

ANNEXURE II - STATEMENT OF PROFIT AND LOSS AS RESTATED

Amt. in lakhs

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|----------|---|-------|---------------|-----------------|-----------------|-----------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| A | INCOME | | | | | | |
| | Revenue from Operations | 20 | - | 1,370.79 | 2,047.10 | 3,554.84 | 3,126.71 |
| | Other Income | 21 | - | - | 1.43 | 2.22 | 0.11 |
| | Total Income (A) | | - | 1,370.79 | 2,048.54 | 3,557.06 | 3,126.82 |
| B | EXPENDITURE | | | | | | |
| | Cost of materials consumed | 22 | - | 1,139.12 | 1,579.38 | 2,867.71 | 2,355.43 |
| | Purchase of stock-in-trade | | - | - | - | - | - |
| | Changes in inventories of finished goods, traded goods and work-in-progress | 23 | - | (118.64) | (56.02) | (22.03) | (16.20) |
| | Employee benefit expenses | 24 | - | 16.09 | 70.78 | 123.00 | 125.90 |
| | Finance costs | 25 | - | 94.47 | 119.11 | 114.07 | 127.69 |
| | Depreciation and amortisation expense | 26 | - | 29.43 | 38.13 | 49.27 | 40.58 |
| | Other Expenses | 27 | 3.92 | 129.48 | 174.82 | 289.04 | 282.17 |
| | Total Expenses (B) | | 3.92 | 1,289.94 | 1,926.20 | 3,421.06 | 2,915.57 |
| C | Profit before tax | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Prior period items (Net) | | - | - | - | - | - |
| | Profit before exceptional, extraordinary items and tax (A-B) | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Exceptional items | | - | - | - | - | - |
| | Profit before extraordinary | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|----------|---|-------|---------------|--------------|---------------|---------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| | items and tax | | | | | | |
| | Extraordinary items | | - | - | - | - | - |
| D | Profit before tax | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Tax expense : | | - | - | - | - | - |
| | (i) Current tax | | - | 16.50 | 25.20 | 28.30 | 53.01 |
| | (ii) Deferred tax | | - | 50.69 | 34.03 | 22.75 | 14.15 |
| | (iii) MAT credit | | - | (15.35) | (23.95) | (27.34) | - |
| E | Total Tax Expense | | - | 51.85 | 35.28 | 23.70 | 67.16 |
| F | Profit for the year (D-E) | | (3.92) | 29.00 | 87.06 | 112.29 | 144.09 |
| | ACTUAL | | - | 13.34 | 62.70 | 86.51 | 142.55 |
| | Earning per equity share(face value of Rs 10/- each): Basic and Diluted | | (4.23) | 1.45 | 4.27 | 4.19 | 4.97 |
| | Adjusted Earning per equity share (face value of Rs 10/- each): Basic and Diluted | | - | - | - | - | - |
| | Change in Profit due to Restatement | | (3.92) | 15.66 | 24.37 | 25.79 | 1.54 |

ANNEXURE III - STATEMENT OF CASH FLOW AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
| Cash flow from operating activities: | | | | | |
| Net Profit before tax as per Profit And Loss A/c | (3.92) | 80.85 | 122.34 | 136.00 | 211.35 |
| Adjusted for: | - | - | - | - | - |
| Extra-ordinary Items | - | - | - | - | - |
| Depreciation & Amortisation | - | 29.43 | 38.13 | 49.27 | 40.58 |
| (Profit)/Loss on Sale of Fixed assets | - | - | (0.00) | 2.70 | - |
| Interest & Finance Cost | - | 94.47 | 119.11 | 114.07 | 127.69 |
| Interest income | - | - | (1.43) | (2.22) | (0.11) |
| Operating Profit Before Working Capital Changes | (3.92) | 204.75 | 278.14 | 299.81 | 379.42 |
| Adjustments | - | - | - | - | - |
| Decrease/(Increase) in Inventory | (195.04) | (265.77) | (245.62) | (233.94) | (80.07) |
| Decrease/(Increase) in Trade Receivables | - | (339.30) | (222.65) | (324.98) | (45.66) |
| Decrease/(Increase) in Short term Loans and Advances | (152.04) | 128.89 | (1.62) | (14.99) | 30.19 |

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Decrease/(Increase) in Other Current assets | (0.92) | (0.50) | (1.15) | (1.70) | 13.24 |
| (Decrease)/Increase in Other Current Liabilities | 73.06 | 23.14 | 37.36 | 82.28 | 5.63 |
| (Decrease)/Increase in Provisions | 1.54 | 27.86 | (28.52) | 2.33 | 29.10 |
| (Decrease)/Increase in Trade payables | 132.70 | 312.37 | 288.48 | 460.02 | (81.56) |
| Cash Generated From Operations Before Extra-Ordinary Items | (144.60) | 91.42 | 104.42 | 268.83 | 250.29 |
| Add:- Extra-Ordinary Items | - | - | - | - | - |
| Cash Generated From Operations | (144.60) | 91.42 | 104.42 | 268.83 | 250.29 |
| Direct Tax Paid | - | (7.00) | (31.68) | (28.35) | (41.52) |
| Net Cash Flow from/(used in) Operating Activities: (A) | (144.60) | 84.42 | 72.4 | 240.48 | 208.77 |
| | | | | | |
| <u>Cash Flow From Investing Activities:</u> | | | | | |
| Purchase of Fixed Assets (Net) | (593.38) | (89.46) | (317.76) | (146.19) | (48.35) |
| Sale of Fixed assets | 0.70 | - | 1.47 | 4.40 | - |
| Interest Income | - | - | 1.43 | 2.22 | 0.11 |
| (Purchase)/Sale of Investment | (0.15) | - | (1.00) | - | - |
| Decrease/(Increase) in Long term Loans and advances | (0.97) | (5.80) | (6.77) | - | - |
| Decrease/(Increase) in Other Non Current assets | (6.22) | 0.35 | (7.52) | (0.07) | 0.92 |
| (Decrease)/Increase in Other Long term Liabilities | 99.92 | 33.86 | (133.78) | 1.54 | 0.05 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (500.09) | (61.05) | (450.39) | (138.09) | (47.27) |
| <u>Cash Flow from Financing Activities:</u> | | | | | |
| Proceeds From Share Capital | 199.50 | - | 25.50 | 65.00 | - |
| Share application money pending allotment | 0.50 | - | (0.50) | - | - |
| Proceeds/Repayment of Long term borrowings (Net) | 387.50 | (68.16) | 312.54 | 66.59 | (293.26) |
| Proceeds/(Repayment) of Short term borrowings (Net) | - | (15.63) | 196.03 | (70.18) | 162.24 |
| Interest & Financial Charges | - | (94.47) | (119.11) | (114.07) | (127.69) |
| Net Cash Flow from/(used in) Financing Activities (C) | 812.09 | (178.26) | 414.47 | (52.66) | (258.72) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 167.39 | (154.89) | 36.82 | 49.73 | (97.21) |
| Cash & Cash Equivalents As At Beginning of the Year | - | 167.39 | 12.50 | 49.32 | 99.05 |
| Cash & Cash Equivalents As At End of the Year | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |

THE ISSUE

The following table summarizes the Issue details:

| Particulars | Details of Equity Shares |
|--|--|
| Issue of Equity Shares by our Company | 10,74,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 40 per Equity Share aggregating Rs. 429.60 lakhs |
| Of which: | |
| Market Maker Reservation Portion | 54,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 40 per Equity Share aggregating Rs. 21.6 lakhs |
| Net Issue to the Public | 10,20,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 40 per Equity Share aggregating Rs. 408 lakhs |
| | Of which: |
| | 5,10,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 40 per Equity Share aggregating Rs. 204 lakhs will be available for allocation to investors up to Rs. 2.00 Lacs |
| | 5,10,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 40 per Equity Share aggregating Rs. 204 lakhs will be available for allocation to investors above Rs. 2.00 Lacs |
| Pre and Post Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 29,00,000 Equity Shares |
| Equity Shares outstanding after the Issue | 39,74,000 Equity Shares |
| Use of Proceeds | For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 88 of this Prospectus for information on use of Issue Proceeds |

Notes

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the Fixed Price method 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 section titled ‘*Issue Information*’ beginning on page 259 of this Prospectus.
2. The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on March 26, 2015 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on March 27, 2015.

For further details please refer to chapter titled “Issue Structure” beginning on page 265 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as “Ambition Mica Private Limited” in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Assistant Registrar of Companies, Ahmedabad, Gujarat. Our corporate identification number is U25202GJ2010PLC059931.

For further details please refer to chapter titled “*Our History and Certain Other Corporate Matter*” beginning on page 145 of this Prospectus

REGISTERED OFFICE OF OUR COMPANY

Ambition Mica Limited

Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330

Gujarat.

Tel: 079 - 65417241

Fax : NA

Email: investor@ambitionmica.com

Website: www.ambitionmica.com

Registration Number: 059931

Corporate Identification Number: U25202GJ2010PLC059931

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad, Gujarat

ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013,
Gujarat, India.

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE

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 145 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

| Sr.No. | Name | Age | DIN | Address | Designation |
|--------|------------------|-----|----------|--|------------------------|
| 1. | Govindbhai Patel | 36 | 02927165 | 55/2, Mohan Nagar Society, Nr, Navyug School, Naroda, Ahmedabad – 382330 | Managing Director |
| 2. | Rameshbhai Patel | 33 | 06393942 | 14/2, Mohannagar CHS Ltd. Part-2, Nr. Navyug School, Naroda, Ahmedabad - 382330, | Whole-time Director |
| 3. | Monghiben Patel | 58 | 07125342 | 54/2, Mohannagar Society-2, Nr, Navyug School, Naroda, Ahmedabad – 382330 | Non Executive Director |
| 4. | Paresh Patel | 36 | 07128422 | D-202, Parth Avenue, Opp. Pushpakunj Society, Naroda, Ahmedabad - 382325, | Independent Director |
| 5. | Abhishek Patel | 23 | 06581734 | 9, Divyakiran Society - 1, Opp: Baliyakak Society, Naroda, Ahmedabad-382330, | Independent Director |
| 6. | Vinod Patel | 30 | 07136584 | A/8, Sarthi Bungalows, Nr Uma Shikshan Tirth School, Naroda, Ahmedabad – 382325 | Independent Director |

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 148 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Nisha Jha

Ambition Mica Limited

Shop No.10, Ground Floor, Raghav Residency

Opp. Naroda G.E.B., Dehgam Road, Naroda

Ahmedabad – 382330

Gujarat.

Tel: 079 - 65417241

Fax: NA

Email: cs@ambitionmica.com

Website: www.ambitionmica.com

CHIEF FINANCIAL OFFICER

Bhaveshbhai Patel

Ambition Mica Limited

Shop No.10, Ground Floor, Raghav Residency

Opp. Naroda G.E.B., Dehgam Road, Naroda

Ahmedabad – 382330

Gujarat.

Tel: 079 - 65417241

Fax: NA

Email: cfo@ambitionmica.com

Website: www.ambitionmica.com

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

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

STATUTORY AUDITOR

M/s Hitesh Gohel & Co., Chartered Accountants

405/ Amulya Complex,

B/h Rudra Complex, Ambawadi,

Ahmedabad 380006

Tel: 079 - 26461443

Fax: NA

E-mail: cahiteshgohel@gmail.com

Contact Person: Hitesh R Gohel

Firm Registration No: 129089W

Membership No: 129427

PEER REVIEWED AUDITOR

M/s Mistry and Shah, Chartered Accountants

8 – 10 Bhavani Chambers,

Near Times of India, Ashram Road

Ahmedabad – 380009

Tel: 079 -40050150 / 079 - 40060150

Fax: NA

E-mail: ketan@mistryandshah.com

Contact Person: Ketan Mistry

Firm Registration No: 122702W

Membership No: 112112

M/s. Mistry and Shah, Chartered Accountants holds a peer reviewed certificate dated February 06, 2014 issued by the Institute of Chartered Accountants of India.



LEAD MANAGER

Pantomath Capital Advisors Private Limited

108, Madhava Premises Co-Op Soc. Ltd.

Bandra Kurla Complex, Bandra East

Mumbai 400 051

Tel: +91 22 26598687

Fax: + 91 22 26598690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Mahavir Lunawat

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B,

Plot No 31-32, Gachibowli,

Financial District, Nanakramgudam Plot nos. 17 – 24,

Hyderabad - 500032

Tel: +91 40 6716 2222

Fax: +91 40 2343 1551

Email: ambition.ipo@karvy.com

Contact Person: M Murali Krishna

Website: www.karisma.karvy.com

SEBI Registration Number: INR000000221

LEGAL ADVISOR TO THE ISSUE

Shardul Amarchand Mangaldas & Co

Express Towers, 17th Floor,

Nariman Point, Mumbai – 400 021

Tel: +91 22 4933 5555

Fax: +91 22 4933 5550

E-mail: jay.parikh@AMSShardul.com

Contact Person: Jay Parikh

Website: www.AMSShardul.com

BANKER TO THE COMPANY

Bank of Baroda

Shop No 4-11, Krishna Complex

Near Memco Cross Road

Ahmedabad - 380025

Tel: +91 79 2220 3536

Fax: +91 79 2220 3536

E-mail: baroda@bankofbaroda.com

Contact Person: S. N. Tandon

The Ahmedabad Mercantile Cooperative Bank Ltd

“AMCO HOUSE”, Nr. Stadium Circle,

Navrangpura, Ahmedabad – 389 009

Tel: +91 79 2642 6582/84/88

Fax: +91 79 2656 4863

E-mail: amcobankad1@rediffmail.com

Contact Person: Shailesh K Trivedi

Website: www.amco-bank.com

Website: www.bankofbaroda.com

ESCROW COLLECTION BANK AND REFUND BANKER

ICICI Bank Limited

Capital Market Division, 1st Floor, 122
Mistry Bhavan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate, Mumbai-400 020

Tel: (91) 022 22859932

Fax: (91) 022 22611138

Email: rishav.bagrecha@icicibank.com / ipocmg@icicibank.com

Contact Person: Rishav Bagrecha

Website: www.icicibank.com

SEBI Registration Number: 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/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid 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. 429.60 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 Pantomath Capital Advisors Private Limited 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 Peer Reviewed Auditor on statement of tax benefits included in this 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 Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated April 6, 2015 and pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has 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 |
|---|---|---------------------------------------|--|
| Pantomath Capital Advisors Private Limited 108, Madhava Premises Co-Op Soc. Ltd. Bandra Kurla Complex, Bandra East Mumbai 400051 Tel: (022) 26598687 Fax: (022) 26598690 Email: ipo@pantomathgroup.com Contact Person: Mahavir Lunawat SEBI Registration Number: INM000012110 | 10,74,000 | 429.60 | 100% |
| Total | 10,74,000 | 429.60 | 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 April 6, 2015 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

BCB Brokerage Private Limited

1207/A P J Towers,

Dalal Street, Fort,

Mumbai – 400 001

Tel: 022 - 22720000

Fax: 022 - 22722451

E-mail: marketmaker@bcbbrokerage.com

Contact Person: Uttam Bagri

SEBI Registration No.: INB011161131

Market Maker Registration No. (SME Segment of BSE): SMEMM0004218012012

BCB Brokerage Private Limited, registered with SME Platform 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 any 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 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. Based on the IPO price of Rs. 40/- the minimum lot size is 3,000 Equity shares thus minimum depth of the quote shall be Rs. 1,20,000/- until the same, would be revised by BSE.
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 54,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 54,000 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, BSE 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 the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, BCB Brokerage 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 Market 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 Lead Manager, 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. 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 particular point of time. The Market Making Agreement is available for inspection at our Corporate 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 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 of 5% 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 to Rs. 80 crore | 15% | 14% |
| Above Rs. 80 crore | 12% | 11% |

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.

CAPITAL STRUCTURE

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

Amount (in Rs. Lacs except share data)

| No. | Particulars | Aggregate nominal value | Aggregate value at Issue Price |
|-----------|---|-------------------------|--------------------------------|
| A. | Authorised Share Capital | | |
| | 42,50,000 Equity Shares of face value of Rs. 10/- each | 425.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 29,00,000 Equity Shares of face value of Rs. 10/- each | 290.00 | - |
| C. | Present Issue in terms of this Prospectus | | |
| | Issue of 10,74,000 Equity Shares of face value Rs.10 each at a price of Rs. 40 per Equity Share | 107.40 | 429.60 |
| | Consisting : | | |
| | Reservation for Market Maker – 54,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of Rs. 40 per Equity Share | 5.40 | 21.60 |
| | Net Issue to the Public – 10,20,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 40 per Equity Share | 102.00 | 408.00 |
| | Of the Net Issue to the Public | | |
| | Allocation to Retail Individual Investors – 5,10,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 40 per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs | 51.00 | 204.00 |
| | Allocation to Other than Retail Individual Investors - 5,10,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 40 per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs | 51.00 | 204.00 |
| D. | Issued, Subscribed and Paid-Up Share Capital after the Issue | | |
| | 39,74,000 Equity Shares of face value of Rs. 10 each | 397.40 | - |
| E. | Securities Premium Account | | |
| | Before the Issue | | Nil |
| | After the Issue | | 322.20 |

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on March 26, 2015, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on March 27, 2015

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 Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in authorized Share Capital:

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

| Particulars of Change | | Date of Shareholders' Meeting | AGM / EGM |
|---|---|-------------------------------|-----------|
| From | To | | |
| Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each. | | On incorporation | - |
| Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each. | Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each. | April 01, 2010 | EGM |
| Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each. | Rs. 15,00,000 consisting of 15,00,000 Equity shares of Rs. 10 each | May 13, 2010 | EGM |
| Rs. 15,00,000 consisting of 15,00,000 Equity shares of Rs. 10 each | Rs. 20,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each | July 05, 2010 | EGM |
| Rs. 20,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each. | Rs. 22,50,000 consisting of 22,50,000 Equity shares of Rs. 10 each. | June 14, 2012 | EGM |
| Rs. 22,50,000 consisting of 22,50,000 Equity shares of Rs. 10 each. | Rs. 29,00,000 consisting of 29,00,000 Equity shares of Rs. 10 each. | July 25, 2013 | EGM |
| Rs. 29,00,000 consisting of 29,00,000 Equity shares of Rs. 10 each. | Rs. 42,50,000 consisting of 42,50,000 Equity shares of Rs. 10 each. | March 17, 2015 | EGM |

2. History of Equity Share Capital of our Company

| Date of Allotment / Fully Paid-up | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) |
|-----------------------------------|-------------------------------|------------------|-------------------|-------------------------|--|------------------------------------|----------------------------------|
| March 19, 2010 | 10,000 | 10 | 10 | Cash | Subscription to Memorandum of Association ⁽¹⁾ | 10,000 | 1,00,000 |
| March 15, 2011 | 19,85,000 | 10 | 10 | Cash | Further Allotment ⁽²⁾ | 19,95,000 | 1,99,50,000 |
| June 15, 2012 | 5,000 | 10 | 10 | Cash | Further Allotment ⁽³⁾ | 20,00,000 | 2,00,00,000 |
| January 31, 2013 | 2,50,000 | 10 | 10 | Cash | Further Allotment ⁽⁴⁾ | 22,50,000 | 2,25,00,000 |
| August 03, 2013 | 6,50,000 | 10 | 10 | Cash | Further Allotment ⁽⁵⁾ | 29,00,000 | 2,90,00,000 |

- (1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

| Sr. No. | Name of Person | No. of shares Allotted |
|---------|-------------------|------------------------|
| 1. | Sureshbhai Patel | 2,000 |
| 2. | Ashwinbhai Patel | 2,000 |
| 3. | Govindbhai Patel | 2,000 |
| 4. | Veljibhai Patel | 2,000 |
| 5. | Prahladbhai Patel | 2,000 |
| | Total | 10,000 |

- (2) Further Allotment of 19,85,000 Equity Shares of face value of Rs. 10 / - each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|-------------------|------------------------|
| 1. | Ashwinbhai Patel | 70,000 |
| 2. | Prahladbhai Patel | 3,72,100 |
| 3. | Sureshbhai Patel | 4,68,400 |
| 4. | Veljibhai Patel | 2,93,000 |
| 5. | Ushaben Patel | 10,000 |
| 6. | Hansaben Patel | 30,000 |
| 7. | Laxmiben Patel | 10,000 |
| 8. | Monghiben Patel | 91,500 |
| 9. | Nirav Patel | 20,000 |
| 10. | Pareshaben Patel | 40,000 |
| 11. | Rekhaben Patel | 40,000 |
| 12. | Kinjalben Patel | 40,000 |
| 13. | Govindbhai Patel | 5,00,000 |
| | Total | 1,98,50,000 |

- (3) Further Allotment of 5,000 Equity Shares of face value of Rs. 10/ - each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|------------------|------------------------|
| 1. | Sureshbhai Patel | 5,000 |
| | Total | 5,000 |

- (4) Further Allotment of 2,50,000 Equity Shares of face value of Rs. 10/ - each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|-------------------|------------------------|
| 1. | Govindbhai Patel | 50,000 |
| 2. | Sureshbhai Patel | 50,000 |
| 3. | Ashwinbhai Patel | 50,000 |
| 4. | Prahladbhai Patel | 50,000 |
| 5. | Veljibhai Patel | 50,000 |
| | Total | 2,50,000 |

(5) Further Allotment of 6,50,000 Equity Shares of face value of Rs. 10 / - each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|-------------------|------------------------|
| 1. | Govindbhai Patel | 1,62,500 |
| 2. | Rameshbhai Patel | 1,62,500 |
| 3. | Prahladbhai Patel | 1,62,500 |
| 4. | Veljibhai Patel | 1,62,500 |
| | Total | 6,50,000 |

3. We have not issued any Equity Shares for consideration other than cash.
4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
5. We have not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. We have not issued any shares at price below Issue Price within last one year from the date of this Prospectus:
7. **Build-up of Promoters' shareholding, Promoters' contribution and lock-in**
 - i. Build Up of Promoters' shareholdings

As on the date of this Prospectus, our Promoters Govindbhai Patel and Veljibhai Patel hold 13,39,400 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

a. Govindbhai Patel

| Date of Allotment and made fully paid up/ 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 | Source of funds | Pledge |
|--|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|---------------------------------|--------|
| March 19,2010 | 2,000 | 10 | 10 | Subscriber to MOA | 0.07% | 0.05% | 3 Years | Income / Savings ⁽¹⁾ | Nil |
| March 15,2011 | 5,00,000 | 10 | 10 | Further Allotment | 17.24% | 12.58% | 3 Years | Borrowed funds ⁽²⁾ | Nil |
| January 31, 2013 | 50,000 | 10 | 10 | Further Allotment | 1.72% | 1.26% | 1 Year | Income / Savings ⁽¹⁾ | Nil |
| August 03,2013 | 1,62,500 | 10 | 10 | Further Allotment | 5.60% | 4.09% | 1 year | Income / Savings ⁽¹⁾ | Nil |
| Total | 7,14,500 | | | | 24.64% | 17.98% | | | Nil |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

b. Veljibhai Patel

| Date of Allotment and made fully paid up/ 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 | Source of funds | Pledge |
|--|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|---|--------|
| March 19,2010 | 2,000 | 10 | 10 | Subscriber to MOA | 0.07% | 0.05% | 3 Years | Income / Savings ⁽¹⁾ | Nil |
| March 15,2011 | 2,93,000 | 10 | 10 | Further Allotment | 10.10% | 7.37% | 3 Years | Income / Savings ⁽¹⁾ & Borrowed funds ⁽²⁾ | Nil |
| January 31, 2013 | 50,000 | 10 | 10 | Further Allotment | 1.72% | 1.26% | 1 Year | Income / Savings ⁽¹⁾ | Nil |

| Date of Allotment and made fully paid up/ 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 | Source of funds | Pledge |
|--|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|---------------------------------|--------|
| August 03,2013 | 1,62,500 | 10 | 10 | Further Allotment | 5.60% | 4.09% | 1 year | Income / Savings ⁽¹⁾ | Nil |
| August 25, 2013 | 1,17,400 | 10 | 10 | Transfer | 4.05% | 2.95% | 1 Year | Income / Savings ⁽¹⁾ | Nil |
| Total | 6,24,900 | | | | 21.55% | 15.72% | | | |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

1. Income/Savings includes salary income, proceeds from sale of land and profits from business.
2. Loan funds have been borrowed from M/s Vinus Ply Industries, Village Zak, Taluka Dehgam, District Gandhi Nagar -382010 as per details given below:-

| Sr No | Date of Borrowing | Amount (Rs in Lakhs) | Name of Borrower |
|-------|-------------------|----------------------|------------------|
| 1. | June 18, 2010 | 7.00 | Veljibhai Patel |
| 2. | October 15, 2010 | 5.00 | Veljibhai Patel |
| 3. | October 29, 2010 | 1.00 | Veljibhai Patel |
| 4. | June 18, 2010 | 23.00 | Govindbhai Patel |
| 5. | July 10, 2010 | 25.00 | Govindbhai Patel |
| 6. | August 9, 2010 | 2.00 | Govindbhai Patel |

ii. 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' has given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.06% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment | Date when made fully paid up | No. of Shares Allotted/ Transferred | Face Value | Issue Price | Nature of Allotment | % of Post Issue shareholding | Lock in Period |
|-------------------------|------------------------------|-------------------------------------|------------|-------------|---|------------------------------|----------------|
| Govindbhai Patel | | | | | | | |
| March 19,2010 | March 19,2010 | 2,000 | 10 | 10 | Subscription to Memorandum of Association | 0.05% | 3 Years |
| March 15,2011 | March 15,2011 | 5,00,000 | 10 | 10 | Further Allotment | 12.58 | 3 Years |
| Veljibhai Patel | | | | | | | |
| March 19,2010 | March 19,2010 | 2,000 | 10 | 10 | Subscription to Memorandum of Association | 0.05% | 3 Years |
| March 15,2011 | March 15,2011 | 2,93,000 | 10 | 10 | Further Allotment | 7.37% | 3 Years |
| Total | | 7,97,000 | | | | 20.06% | |

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In Connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price ;

- c) Our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;
- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are in the process of dematerialised ; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Equity Shares locked-in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in

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

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

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

We further confirm that our Promoter's Contribution of 20.06% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months

| Date of Transaction | Name of Transacting Party | Party Category | Nature of Transactions | Price | Number of shares Transacted |
|---------------------|---------------------------|----------------|------------------------|-------|-----------------------------|
| January 24, 2015 | Rameshbhai Patel | Promoter Group | Purchase –Transfer | 10 | 70 |
| January 24, 2015 | Prahladbhai Patel | Promoter Group | Purchase- Transfer | 10 | 10 |



9. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Equity Listing Agreement, as on the date of this 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 | 8 | 29,00,000 | 29,00,000 | 100.00% | 100.00% | 0 | 0 |
| (b) | Central Government/State Government(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Financial Institutions/Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (A)(1) | 8 | 29,00,000 | 29,00,000 | 100.00% | 100.00% | 0 | 0 |
| 2 | Foreign | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 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) | Individuals (Non-Resident Individuals/Foreign Individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Institutions/FPI | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (A)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2) | 8 | 29,00,000 | 29,00,000 | 100.00% | 100.00% | 0 | 0 |
| (B) | Public shareholding | | | | | | | |
| 1 | Institutions | | | | | | | |
| (a) | Mutual Funds/UTI | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Financial Institutions/Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Central Government/State Government(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Venture Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 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) |
| (e) | Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f) | Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (g) | Foreign Venture Capital Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (h) | Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (i) | Market Makers | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (j) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (B) (1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Non-Institutions | | | | | | | |
| (a) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Individuals - | | | | | | | |
| | i) Individual shareholders holding nominal share Capital up to Rs.1 lakh | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 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) | Any other (Specify) Individual (Non-Resident individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (B) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL (A)+(B) | 8 | 29,00,000 | 0 | 100% | 100% | 0 | 0 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GRAND TOTAL (A)+(B)+(C) | 8 | 29,00,000 | 29,00,000 | 100% | 100% | 0 | 0 |

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company has ensured that the Equity Shares held by the Promoter / members of the Promoter Group are dematerialised prior to filing the Prospectus with the RoC.

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 Share

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

| Sr. 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 | Govindbhai Patel | 7,14,500 | 24.64% | 714,500 | 17.98% |
| 2 | Veljibhai Patel | 6,24,900 | 21.55% | 624,900 | 15.72% |
| | Sub total (A) | 1,339,400 | 46.19% | 1,339,400 | 33.70% |
| | Promoter Group | | | | |
| 1 | Prahladbhai Patel | 6,86,610 | 23.68% | 686,610 | 17.28% |
| 2 | Pareshaben Patel | 40,000 | 1.38% | 40,000 | 1.01% |
| 3 | Monghiben Patel | 91,500 | 3.16% | 91,500 | 2.30% |
| 4 | Rekhaben Ramesh Patel | 40,000 | 1.38% | 40,000 | 1.01% |
| 5 | Kinjalben Patel | 40,000 | 1.38% | 40,000 | 1.01% |
| 6 | Rameshbhai Patel | 6,62,490 | 22.84% | 662,490 | 16.67% |
| | Sub total (B) | 1,560,600 | 53.81% | 1,560,600 | 39.27% |
| | Total (A+B) | 2,900,000 | 100.00% | 2,900,000 | 72.97% |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|----------------------|--------------------|--------------------------------------|
| Govindbhai Patel | 7,14,500 | 10 |
| Veljibhai Patel | 6,24,900 | 10 |

12. No persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares

13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:

a. Particulars of the top ten shareholders as on the date of filing this Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|----------------------|-------------------------|----------------------------|
| 1 | Govindbhai Patel | 714,500 | 24.64% |
| 2 | Prahladbhai Patel | 686,610 | 23.68% |
| 3 | Rameshbhai Patel | 662,490 | 22.84% |
| 4 | Veljibhai Patel | 624,900 | 21.55% |
| 5 | Monghiben Patel | 91,500 | 3.16% |
| 6 | Pareshaben Patel | 40,000 | 1.38% |
| 7 | Rekhaben Patel | 40,000 | 1.38% |
| 8 | Kinjalben Patel | 40,000 | 1.38% |
| | Total | 2,900,000 | 100.00% |

b. Particulars of top ten shareholders ten days prior to the date of filing this Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|----------------------|-------------------------|----------------------------|
| 1 | Govindbhai Patel | 714,500 | 24.64% |
| 2 | Prahladbhai Patel | 686,610 | 23.68% |
| 3 | Rameshbhai Patel | 662,490 | 22.84% |
| 4 | Veljibhai Patel | 624,900 | 21.55% |
| 5 | Monghiben Patel | 91,500 | 3.16% |
| 6 | Pareshaben Patel | 40,000 | 1.38% |
| 7 | Rekhaben Patel | 40,000 | 1.38% |
| 8 | Kinjalben Patel | 40,000 | 1.38% |
| | Total | 2,900,000 | 100.00% |

c. Particulars of the top ten shareholders two years prior to the date of filing of this Prospectus:

| Sl. No | Name | Number of Equity Shares | % of then existing Paid-Up Capital |
|--------|-------------------|-------------------------|------------------------------------|
| 1 | Govindbhai Patel | 5,52,000 | 24.53% |
| 2 | Sureshbhai Patel | 5,25,320 | 23.35% |
| 3 | Prahladbhai Patel | 4,24,100 | 18.85% |
| 4 | Veljibhai Patel | 3,45,000 | 15.33% |
| 5 | Ashwinbhai Patel | 1,22,000 | 5.42% |
| 6 | Monghiben Patel | 91,500 | 4.07% |
| 7 | Pareshaben Patel | 40,000 | 1.78% |
| 8 | Rekhaben Patel | 40,000 | 1.78% |
| 9 | Kinjalben Patel | 40,000 | 1.78% |
| 10 | Hansaben Patel | 30,000 | 1.33% |
| | Total | 22,09,920 | 98.22% |

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
16. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the SME Platform of BSE.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
19. There are no Equity Shares against which depository receipts have been issued.
20. Other than the Equity Shares, there are no other class of securities issued by our Company.

21. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company
22. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
23. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
24. There are no safety net arrangements for this public issue.
25. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
26. 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.
27. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
28. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
35. We have 8 shareholders as on the date of filing of the Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Issue.
37. Our Company has not made any public issue since its incorporation.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended January 31, 2015 and for the financial years ended March 31, 2011, 2012, 2013, and 2014 please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled '*Financial Statements as restated*' on page 175 of the Prospectus.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page 148 of the 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 Requirement;
2. General Corporate Purpose;
3. Issue Expenses.

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum enables us 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.

FUND REQUIREMENTS

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

Means of Finance

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.

Utilisation of Net Proceeds

We intend to utilize the Issue Proceeds, in the manner set forth below:

| Sr. No. | Particulars | Amount (Rs. in lacs) | Percentage of total Issue (%) |
|---------|-----------------------------|----------------------|-------------------------------|
| 1. | Working Capital Requirement | 350.00 | 81.47% |
| 2. | General Corporate Purpose | 37.60 | 8.75% |
| 3. | Issue Expenses | 42.00 | 9.78% |
| | Total | 429.60 | 100.00% |

****As on April 02, 2015, Company has incurred Rs. 5.62 Lakhs towards Issue Expenses.***

While we intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of variations in the actual utilisation of funds earmarked 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. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

Schedule of Implementation/Utilization of Net Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2015-16.

Details of Utilization of Issue Proceeds

- **Working Capital Requirement**

Our business is working capital intensive. We finance our working capital requirement from internal accruals, client advances.

As on March 31, 2013 and March 31, 2014 our Company's net working capital consisted of Rs. 514.21 lakhs and Rs. 624.59 Lakhs respectively, based on the audited and restated standalone financial statements.

The total working capital requirement as of March 31, 2016 is estimated to be Rs. 1,312.44 lakhs. The incremental working capital requirement for the year ending March 31, 2016 will be Rs. 489.46 lakhs, which will be met through the Net Proceeds to the extent of Rs. 350.00 lakhs, and the balance portion will be met through internal accruals.

Basis of estimation of working capital requirement

The details of our Company's working capital requirement and funding of the same are based on the audited and restated standalone financial statements as at March 31, 2013 and March 31, 2014 are as set out in the table below:

(Rs. In Lakhs)

| Particulars | Financial Year | |
|------------------------------------|-----------------|-----------------|
| | 2012-13 | 2013-14 |
| Current Assets | | |
| Inventories | 706.42 | 940.36 |
| Trade Receivables | 561.95 | 886.92 |
| Cash and Bank Balance | 49.32 | 99.05 |
| Other Current Assets | 66.64 | 110.69 |
| Total (A) | 1,384.34 | 2,037.01 |
| Current Liabilities | | |
| Trade Payables | 733.55 | 1,193.57 |
| Other Current Liabilities | 133.56 | 215.84 |
| Short Term Provisions | 3.02 | 3.02 |
| Total (B) | 870.13 | 1,412.43 |
| Net Working Capital (A)-(B) | 514.21 | 624.59 |
| Incremental Working capital | 241.33 | 110.38 |
| Sources Of Working Capital | | |
| Incremental Borrowings | 196.03 | - |

| Particulars | Financial Year | |
|---------------------|----------------|---------------|
| | 2012-13 | 2013-14 |
| Internal Accruals | 45.30 | 110.38 |
| Total Source | 241.33 | 110.38 |

Incremental working capital and reduction in loans have been funded from internal accruals for FY 2013-2014

The details of our Company's estimated working capital requirement as at March 31, 2015 and expected working capital requirement as at March 31, 2016 is set out in the table below

| Particulars | 2014-15 (Provisional) | 2015-16 (Estimated) |
|-------------------------------------|--------------------------|------------------------|
| Current Assets | | |
| Inventories | 674.2 | 865.26 |
| Trade Receivables | 998.42 | 1435.03 |
| Cash and Bank Balance | 9.58 | 15 |
| Other Currents Assets | 52.38 | 64.34 |
| Total (A) | 1734.58 | 2379.63 |
| | | |
| Current Liabilities | | |
| Trade Payables | 545.16 | 793.71 |
| Other Current Liabilities | 246.84 | 252.03 |
| Short Term Provisions | 119.6 | 21.45 |
| Total (B) | 911.6 | 1067.19 |
| | | |
| Net Working Capital (A)-(B) | 822.98 | 1312.44 |
| | | |
| Incremental Working Capital* | 198.39 | 489.46 |
| | | |
| Sources Of Working Capital | | |
| Incremental Borrowings | 100.71 | |
| Internal Accruals | 97.68 | 139.46 |
| Issue Proceeds | - | 350.00 |
| Total Source | 198.39 | 489.46 |

**Incremental Working capital is calculated by subtracting the Current year net working capital from previous year net working capital*

Assumption for working capital requirements

Assumptions for Holding Levels*

(In months)

| Particulars | Holding Level as of March 31, 2013 | Holding Level as of March 31, 2014 | Holding Level as of March 31, 2015 | Holding Level as of March 31, 2016 |
|-----------------------|--|--|--|---|
| Current Assets | | | | |
| Inventories | | | | |
| Raw Materials | 4.29 | 3.10 | 2.25 | 2.25 |

| Particulars | Holding Level as of March 31, 2013 | Holding Level as of March 31, 2014 | Holding Level as of March 31, 2015 | Holding Level as of March 31, 2016 |
|----------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| WIP | 0.03 | 0.03 | 0.03 | 0.03 |
| Finished Goods | 1.06 | 0.71 | 0.51 | 0.51 |
| Trade Receivables | 2.76 | 2.52 | 2.71 | 3.11 |
| | | | | |
| Current Liabilities | | | | |
| Trade Payables | 5.70 | 4.89 | 2.30 | 2.60 |

Our Company proposes to utilise Rs. 350.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2015-16 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our Company has assumed inventory of raw material, Work in Progress and Finished Goods of 2.25 months, 0.03 months and 0.51 months respectively for the Financial Year 2015-2016.

Our Debtors cycle is of about 2.52 and 2.71 months in Financial Year 2013-14 and 2014-2015. We have assumed that our debtor's cycle will be 3.11 months days for Financial Year 2015-16. Similarly we have estimated other current assets, current liabilities and short term provisions in line with working capital employed in Financial Year 2014-2015.

Justification for "Holding Period" levels

The justifications for the holding levels mentioned in the table above are provided below

| | |
|--|--|
| Assets- Current Assets | |
| Inventories | |
| Raw Materials | In FY 2015-15 the raw material inventory holding period is expected to be same as FY 2015-16. |
| WIP | In FY 2015-15 the WIP inventory holding period is expected to be same as FY 2015-16. |
| Finished Goods | In FY 2015-15 the Finished goods inventory holding period is expected to be same as FY 2015-16. |
| Trade receivables | In FY 2015-16 the trade receivable holding period is expected to go up to 3.11 months as against 2.71 months in FY 2014-15 we will provide higher credit period to enter new states and increase sales in our existing distribution channel. |
| Liabilities Current Liabilities | |
| Trade Payables | Our Company expects that suppliers for the raw material will provide us better credit period as compared to last year. |

- **General Corporate Purpose**

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 37.60 Lacs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for projects, financing normal capital expenditure, expanding into new geographies, pre-operative expenses, brand building exercise, funding routine working capital, and strengthening



our marketing capabilities which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in response to the dynamic nature of the laminate industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. 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. 42.00 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 Maker, Bankers etc. | 37.50 | 89.29% | 8.73% |
| Regulatory fees | 2.50 | 5.95% | 0.58% |
| Marketing and Other Expenses | 2.00 | 4.76% | 0.47% |
| Total estimated Issue expenses | 42.00 | 100.00% | 9.78% |

**As on April 02, 2015, Company has incurred Rs. 5.62 Lakhs towards Issue Expenses.*

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

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 31, 2015 | Deployment during FY 2015-16 |
|------------------------------|-------------------------|---|---------------------------------|
| Working Capital Requirements | 350.00 | Nil | 350.00 |
| General Corporate Purpose | 37.60 | Nil | 37.60 |
| Issue Expenses | 42.00 | 5.62 | 36.38 |
| Total | 429.60 | 5.62 | 420.98 |

M/s. Hitesh Gohel, Chartered Accountants have *vide* certificate dated April 02, 2015, confirmed that as on April 02, 2015 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

| Particulars | Estimated Amount |
|-------------------|------------------|
| Internal Accruals | 5.62 |
| Total | 5.62 |

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

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 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.

VARIATION IN OBJECTS

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of a special resolution. In addition, the notice issued to our shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules thereunder. As per the current provisions of the Companies Act, our Promoters or controlling shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the Issue proceeds will be paid by our Company as consideration to the Promoters, the Directors, our key management personnel or the Group Companies, except in the ordinary course of business.



BASIS FOR ISSUE PRICE

The Issue Price of Rs. 40 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. 40 per Equity Share and is 4 times the face value.

QUALITATIVE FACTORS

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

- Robust Brand Portfolio
- Very Wide range of products
- Proficient Management Team
- Our Sales Distribution and Marketing Network
- High Product Quality

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled "*Our Business*" beginning on page 120 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2012, 2013 and 2014 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

| Year ended | EPS (Rs.) | Weight |
|-------------------------|-------------|--------|
| March 31, 2012 | 1.45 | 1 |
| March 31, 2013 | 4.27 | 2 |
| March 31, 2014 | 4.19 | 3 |
| Weighted Average | 3.76 | |

The Basic and Diluted Post Bonus EPS for ten month period ended January 31, 2015 was Rs. 4.97 (not annualized)

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 40 per Equity Share of Rs. 10/- each.

| Particulars | P/E Ratio |
|---|-----------|
| P/E ratio based on Basic EPS for FY 2013-14 | 9.54 |
| P/E ratio based on Weighted Average EPS | 10.64 |
| Industry P/E | |
| Lowest | 2.7 |
| Highest | 80.81 |
| Average | 21.67 |

Industry Composite comprises Rushil Décor Limited, Archidply Industries Limited, Greenply Industries Limited, Century PlyBoard (India) Limited, Alfa Ica (India) Limited, Bloom Dekor Limited, Deco Mica Limited and Stylam Laminates Limited.

3. Average Return on Net worth (RoNW)

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

| Year ended | RoNW (%) | Weight |
|-------------------------|--------------|--------|
| March 31, 2012 | 12.91 | 1 |
| March 31, 2013 | 25.82 | 2 |
| March 31, 2014 | 21.83 | 3 |
| Weighted Average | 21.67 | |

The return on Net worth for ten month period ended January 31, 2014 was 21.94% (not annualized)

Note: The RoNW 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 post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2014 is 17.64 %.

5. Net Asset Value (NAV)

| Particulars | Amount (In Rs) |
|---|----------------|
| Net Asset Value per Equity Share as of March 31, 2014 | 17.74 |
| Net Asset Value per Equity Share after the Issue | 23.76 |
| Issue Price per equity share | 40.00 |

NAV per equity share has been calculated as net worth as divided by number of equity shares.

6. Comparison with other listed companies

| Companies | CMP | EPS | PE Ratio | RONW % | NAV (Per Share) | Face Value | Sales (In Crores) |
|------------------------------|--------|-------|----------|--------|-----------------|------------|-------------------|
| Ambition Mica Limited | 40 | 4.19 | 9.54 | 21.83 | 17.74 | 10 | 35.55 |
| Peer Group* | | | | | | | |
| Rushil Décor Limited | 71.45 | 2.09 | 34.19 | 4.03 | 51.99 | 10 | 257.30 |
| Archidply Industries Limited | 35.60 | 1.82 | 19.56 | 3.59 | 50.67 | 10 | 229.61 |
| Alfa Ica (India) Limited | 23.00 | 1.76 | 13.1 | 6.40 | 27.45 | 10 | 58.06 |
| Bloom Dekor limited | 15.10 | -2.41 | -6.3 | -9.85 | 24.51 | 10 | 64.51 |
| Deco Mica Limited | 7.37 | 2.75 | 2.68 | 11.74 | 23.44 | 10 | 43.74 |
| Stylam Laminates | 116.10 | 9.33 | 12.44 | 19.70 | 47.36 | 10 | 189.43 |

*Source: www.bseindia.com

**CMP for our Company is considered as Issue Price

Notes:

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison
- The figures for Ambition Mica Limited are based on the restated results for the year ended March 31, 2014
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2014.
- Current Market Price (CMP) is the closing prices of respective scripts as on April 1, 2015



- The Issue Price of Rs. 40/- per Equity Share has been determined by the Company in consultation with the Lead Manager and is justified based on the above accounting ratios.

For further details see section titled “Risk Factors” beginning on page 17 and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 175 of this Prospectus for a more informed view

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
Ambition Mica Limited
Ahmedabad

Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by the Management of Ambition Mica 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'), Wealth Tax Act, 1957, and state VAT Legislation presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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 have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes to this annexure.

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Ambition Mica Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

For Mistry & Shah
Chartered Accountants
Firm Registration No. 122702W

CA Ketan Mistry
Partner
Membership No. 112112

Date: 30th March, 2015
Place: Ahmedabad



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO AMBITION MICA 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 2014-15.

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 National Highway Authority of India Act, 1988; and
 2. 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 distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% 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.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

- 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 (plus 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 distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% 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.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

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 distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% 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.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

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.
- 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.

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 & certain securities & government Bonds as mentioned in section 194LD) 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. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.

- 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 to them⁸
- 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.

BENEFITS UNDER THE WEALTH TAX ACT, 1957

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.

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.

*As per Finance Bill 2015 levy of wealth tax has been completely removed from financial year 2015-16 onwards.

For Mistry & Shah
Chartered Accountants
Firm Registration No. 122702W

CA Ketan Mistry
Partner
Membership No. 112112

Date: 30th March, 2015
Place: Ahmedabad

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 17 and 175 respectively of this Prospectus before deciding to invest in our Equity Shares.

INDIAN ECONOMY

India is set to become the world’s fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

(Source : www.iebf.org)

Outlook for Growth

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 percent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

(Source – Economic Survey 2014-2015; indiabudget.nic.in)

Outlook for Reforms

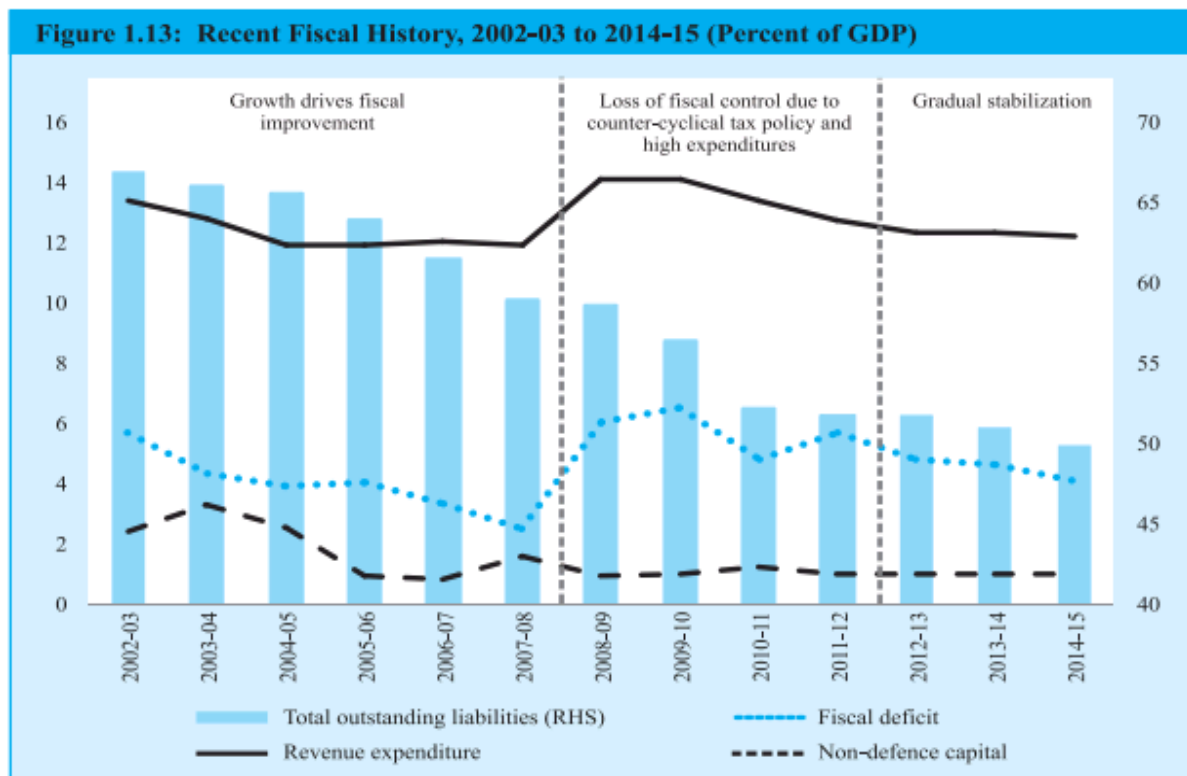
In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 percent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 percent for emerging Asian economies and 29 percent for the emerging market countries in the G-20.

Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.

Fiscal Framework

Notwithstanding the challenging nature of the 2014-15 budget, elaborated in the Mid-Year Economic Analysis 2014-15, the Government will adhere to the fiscal target of 4.1 per cent of GDP. Despite weakness in revenue collection and delayed disinvestment, new excises on diesel and petrol (revenue yield of about 20,000 crores), reduced subsidies, and expenditure compression will ensure the commitment to discipline. India can reconcile the requirements of fiscal consolidation and the imperative of boosting public investment to revive growth and crowd-in private investment provided the right lessons are learnt. Since this is the first full budget of the new government, and especially in light of the far-reaching recommendations of the Fourteenth Finance Commission, the time is ripe for reviewing the medium-term framework and setting targets for the upcoming year against that background and taking account of the lessons of recent history. Three phases marked recent fiscal history.

- a. At first rapid growth improved all fiscal aggregates, flows and stocks. But failure to control expenditure, especially revenue expenditure, towards the end of that phase, combined with excessive counter-cyclical policies in the second phase (2009-12) led to a loss of fiscal control that contributed to the near-crisis of 2013. A casualty has been low and stagnating capital expenditure. In the third phase (2013-today), a modicum of fiscal stability has been restored. This history suggests the following strategy going forward. First, in the medium term, India must meet its medium-term target of 3 percent of GDP. This will provide the fiscal space to insure against future shocks and also to move closer to the fiscal performance of its emerging market peers. It must also reverse the trajectory of recent years and move toward the 'golden rule' of eliminating revenue deficits and ensuring that, over the cycle, borrowing is only for capital formation.
- b. Second, the way to achieve these targets will be expenditure control and expenditure switching from consumption to investment. And the secular decline in capital expenditure in the last decade has undermined India's long run growth potential. From 2016-17, as growth gathers steam and as the GST is implemented, the consequential tax buoyancy when combined with expenditure control will ensure that medium term targets can be comfortably met. This buoyancy is assured by history because over the course of the growth surge in the last decade, the overall tax-GDP ratio increased by about 2.7 percentage points, from 9.2 percent in 2003-04 to 11.9 per cent in 2007-08 even without radical tax reform.
- c. Third, the medium-term commitment to discipline cannot result in an Augustinian deferment of actions. In the upcoming year, too, fiscal consolidation must continue. However, the need for accelerated fiscal consolidation has lessened because macroeconomic pressures have significantly abated with the dramatic decline in inflation and turnaround in the current account deficit.



Source: Budget Documents and CSO.

Note: Numbers for 2013-14 and 2014-15 are revised estimates and budget estimates, respectively.

INDIAN MANUFACTURING INDUSTRY

Introduction

India's growing economy has offered domestic entrepreneurs and international players multiple opportunities to invest. The Government of India has realised the significance of the manufacturing industry to the country's industrial development and is taking necessary steps to increase investment in this sector.

According to a report by Mckinsey and Company, India's manufacturing sector could touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs, by 2025.

Many foreign investors have decided to invest in the country in the recent past due to low cost of setting up of plants and available manpower. For instance, Toshiba Group has planned to make India the design, manufacturing and export hub for its lighting business, and multiply the local headcount to design lights for planned smart cities airports, stadiums, highways, warehouses and factories, said Mr Yoichi Lbi, President & CEO, Toshiba Lighting & Technology Corporation.

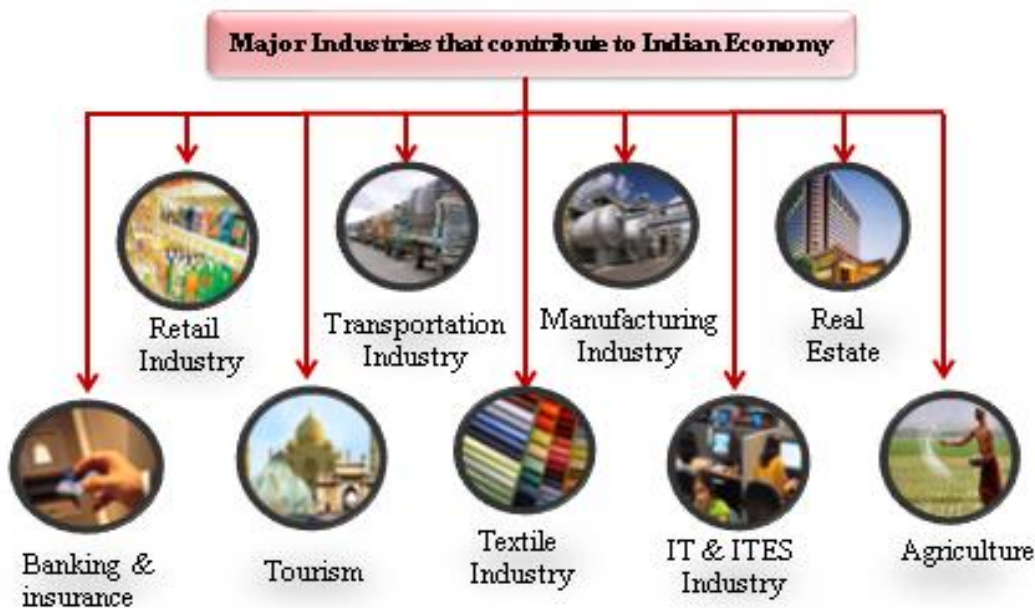
Market Size

Business conditions in the Indian manufacturing sector continued to improve in October, 2014 fuelled by accelerated growth of output and new orders according to the HSBC India Manufacturing Purchasing Managers' Index (PMI) data. According to the PMI, manufacturing operating conditions in India rebounded from 51 in September 2014 to 51.6 in October 2014.

Electronics goods production in India is expected to touch US\$ 104 billion by 2020. The country's electronics market is anticipated to grow to US\$ 400 billion by 2020 and expand at a CAGR of 24.4 per cent during the period 2012-2020.

The domestic market size of the chemical industry is around US\$ 118 billion and it is approximately 3 per cent of the global chemical market, according to a report by Tata Strategic Management Group. It is highly diversified with more than 80,000 chemicals and currently accounts for 15 per cent of manufacturing GDP which makes it very crucial for the economic development of the country.

The major industries that contribute to Indian economy are as shown in the below chart:



Investments

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Hero MotoCorp has planned to invest Rs 5,000 crore (US\$ 785.79 million) in five manufacturing facilities across India, Colombia and Bangladesh, to increase its annual production capacity to 12 million units by 2020.
- Kalyan Jewellers has raised around Rs 1,200 crore (US\$ 188.59 million) from Warburg Pincus in one of the largest private equity (PE) deals in the jewellery manufacturing segment in India.
- A consortium of Chinese automobile companies has planned to make Gujarat's Sanand an electrical vehicle (EV) manufacturing hub. The consortium consisting of seven companies plans to set up the EV park at an estimated investment of US\$ 100 million.
- Gulf Oil Lubricants India has entered into a partnership with Mahindra & Mahindra. Gulf Oil will now manufacture and supply Mahindra Genuine Oil under the brand name Mahindra M-Star Super.

- Asian Paints has planned to invest Rs 2,400 crore (US\$ 377.14 million) to set up a manufacturing unit in Nanjangud in Mysore district, Karnataka. The 175 acre project has been cleared by the State High Level Clearance Committee (SHLCC).
- Pidilite Industries Ltd has approved the acquisition of adhesive business of Blue Coat Pvt Ltd for a cash consideration of Rs 263.57 crore (US\$ 41.41 million). Blue Coat is a manufacturer of industrial adhesives and textile printing chemicals
- Minda Industries Ltd has announced a joint venture (JV) with Panasonic Corp to manufacture lead acid batteries. The manufacturing plant of the JV will be based in Uttarakhand.
- Honeywell Aerospace has signed a licensing agreement with Tata Power Co Ltd's strategic engineering division (SED), enabling it to produce Honeywell's Tactical Advanced Land Inertial Navigator (TALIN) in India.
- Danfoss India, a major player in climate and energy space, inaugurated its new manufacturing, research and development (R&D) and administrative campus, built with an investment of Rs 500 crore (US\$ 78.57 million), in Oragadam, Chennai, on November 5, 2014. The plant also includes a solar power plant which will generate 1 MW of electricity, sufficient to power 10 per cent of electricity requirements of the campus. Danfoss India, a part of Danish company Danfoss Group, stated that it is taking forward the national appeal to 'Make in India', through its focus on local manufacturing and R&D in the new campus. As part of this strategy, the company is planning to make India a manufacturing cum export hub for its regional subsidiaries and source products from local suppliers, thereby creating ancillary jobs.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

The government has an ambitious plan to locally manufacture as many as 181 products India currently imports at a cost of at least US\$ 18.1 billion. The move could also help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1.85 trillion (US\$ 29.07 billion) Indian capital goods business.

To give its ambitious 'Make In India' programme the much needed atmosphere to succeed, the government is expected to come up with a separate set of labour laws governing the Micro, Small and Medium Enterprise (MSME) sector which forms the backbone of the manufacturing sector. The proposed new labour laws for the MSME sector will be applicable to industrial units that employ 40 or less in their workforce and will specifically address the needs of those who are employed in the small factories or manufacturing units.

Once implemented, the new labour laws will provide the ease to do business in India and will also help effectively manage labour unrest and industrial strife and lead to new entrepreneurs entering the manufacturing sector.



The Ministry of Micro, Small and Medium Enterprises (MSME) has signed a memorandum of understanding (MoU) with the International Labour Organisation (ILO) to support the Government of India's 'Make in India' programme.

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, has been awarded ISO 9001:2008 certification, demonstrating the Ministry's mission of promoting the growth and development of MSMEs with dedication and commitment.

In accordance with the Government's 'Make in India' initiative, the Department of Industrial Policy and Promotion (DIPP) has provided a major boost to the manufacturing sector by approving 33 applications. Clearance of these 33 applications and the deregulation of Defence product List excluding a large number of components from purview of industrial licensing will provide a major impetus to advanced manufacturing in Defence sector.

India has recently increased the cap on Foreign Direct Investment in defence manufacturing to 49 per cent due to which German firms are interested in high-end electronic manufacturing in India, according to Mr Ravi Shankar Prasad, Union Minister for Communications and Information and Technology, Law and Justice, Government of India.

Road Ahead

The manufacturing sector in India is an attractive hub for foreign investments. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The electronic system design and manufacturing (ESDM) industry will benefit from the government's Make in India campaign and is projected to see investment proposals worth Rs 10,000 crore (US\$ 1.57 billion) over the next two years, according to the India Electronics and Semiconductor Association (IESA).

The Indian chemical industry is also likely to touch US\$ 190 billion by the financial year 2017-18 on account of increase in demand of the chemicals from industries of various sectors.

Source : <http://www.ibef.org/industry/manufacturing-sector-india.aspx>

INDIAN LAMINATE INDUSTRY

Indian HPL Industry has been consistently growing since last six to seven years. Since 2007 the Decorative Laminate Industry caught up pace with growth and is continuing with entry of new players and capacity expansion by existing ones. The industrial product has been replacing the application of materials like wall paneling and partition areas etc. Industry went on expansion spree during 2009, 2010 and 2011 and took a brief pause to utilize and consume what it installed. As per estimates, India has more than 165 Laminate producing establishments that includes all kinds of laminates. As per BSMR finding during 2013-14, India is currently having around 135 'Decorative' Laminate producing units of which around 7-8 units are non operational.

Below graph shows the number of installed Laminate producing facilities in different states of India.



Survey shows that approximately 125 plus units are considered to be presently operating in India. Although there may be few that are yet to initiate full swing commercial production, but their capacities are almost in place.

High Pressure Laminate (HPL) Production

It is observed that there has been a total production of 1.35 to 1.40 Crore sheets every month in India i.e. approximately 13.5 million sheets per month that includes export and domestic market.

The HPL production capacity has been growing year on year. In terms of number of sheets, the production has seen a growth of 12% approximately since 2010. With growth in decorative laminate demands during 2011 and 2012 by snatching up some share of reconstituted veneers and from the furniture industry (laminates are being used instead of painting the inside areas of furniture), laminates grabbed around 14% growth.

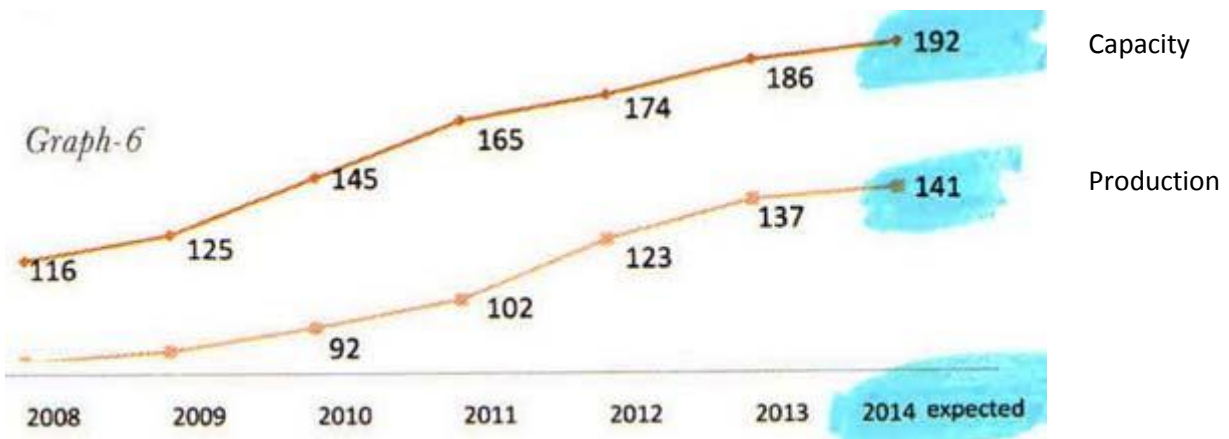
After that, growth in demand has been slow in domestic market but the number in exports, liner grade and 1.00 mm textures has maintained a fair growth enough to fuel production capacity expansions.

Now with highly competitive 1.00 mm domestic market, the capacities that are being added are largely absorbed by the "liner grade or 0.6 mm" and lower thickness material.

Present HPL Production In India

The average production of decorative laminates has crossed approximately 130 million sheets inclusive of all thicknesses but the gap between installed capacity and demand is growing bigger. During FY 2011-2012 phases that gap narrowed with sudden demand in lower thickness segment but later capacities came in place and the Decorative laminate market became a pressure driven market.

The below graph shows the gap which indicates more supply means pressure on pricing, profits etc. It is caution for any new comer that if he enters, he should be prepared for "More investments, more efforts and a long wait for margins".

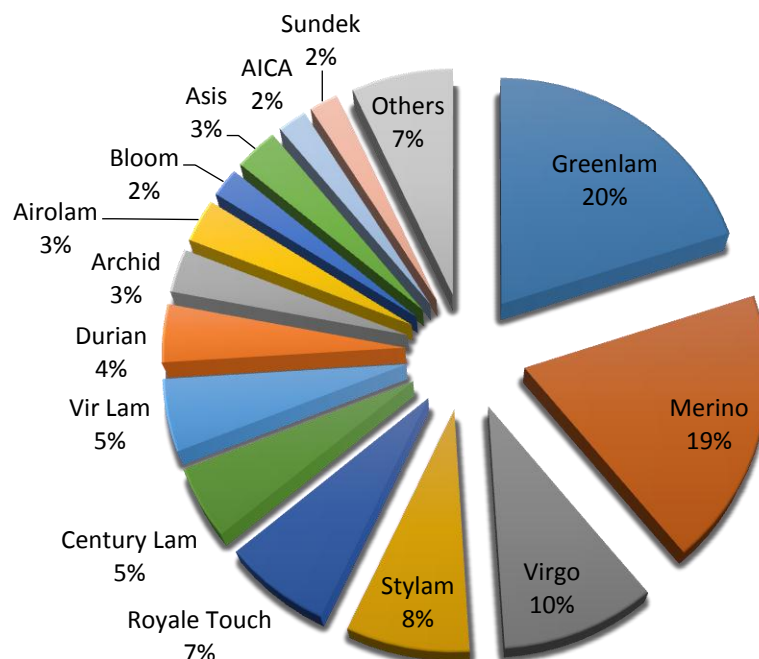


PRODUCTION - ORGANISED PLAYERS

Top Brands

The chart below shows the market share of Leading HPL manufacturing companies from top brands/organized players' category. Green Lam and Merino together accounts for almost 40% of total production in India.

Top Brand Production Share per month

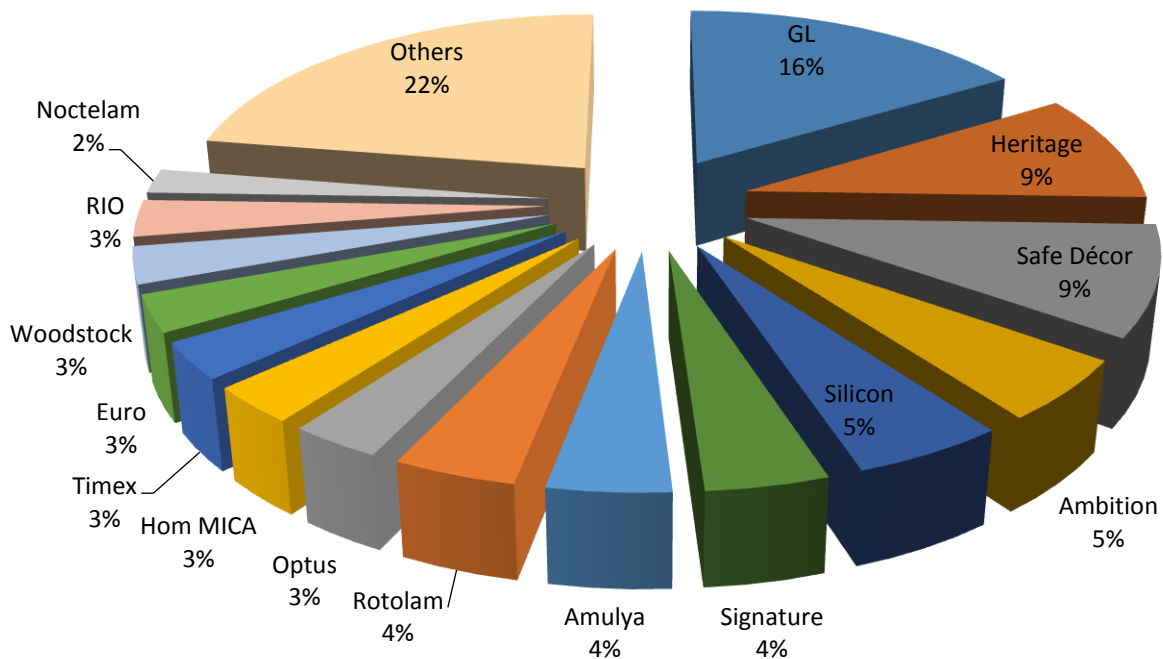


Mid Segment

The Mid segment category very important fraction of the decorative laminate segment as it holds 20 percent of the market share accounting to Volume share or Value, both. This category also includes few of those players who are popular in trade with their economical pricing, but are regarded as a

brand, and sell majority lower thickness materials. The Graph below presents a percent and market share in decorative laminates in Indian (on the basis of total production volumes).

Mid Segment Production Share per month



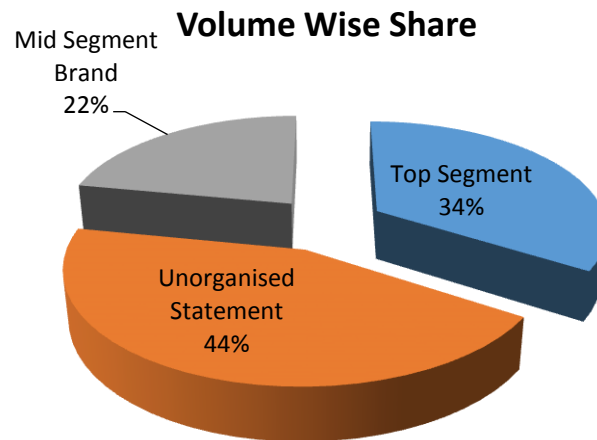
* In Mid segment there are around 22 companies that have been considered on the basis of their quality, market reputation, and competing with organized/top brands in almost all the places or strongly recognized in more than six states or two regions.

ORGANISED Vs. MID Vs. UNORGANISED

| Category | Qty/month (lacs) |
|-------------|------------------|
| Top Brand | 56 |
| Mid Segment | 27 |
| Unorganized | 54 |

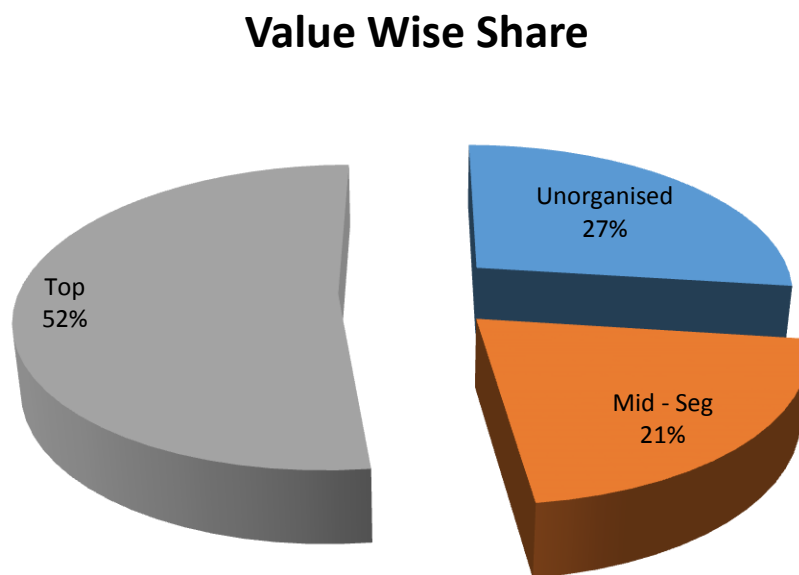
In terms of volumes organized or top brand category is the biggest contributor. The Indian HPL market is now being dominated by Top brands & Mid segment players. Top brands hold approximately 41% in overall share including domestic & export markets but it holds only 34 percent share in domestic market. The domestic market is mainly led by unorganized category players who hold around 45 percent market share of Indian decorative laminate volumes.

Volume share of HPL: Top Brands vs. Mid Segment Brands vs. Unorganised in domestic market

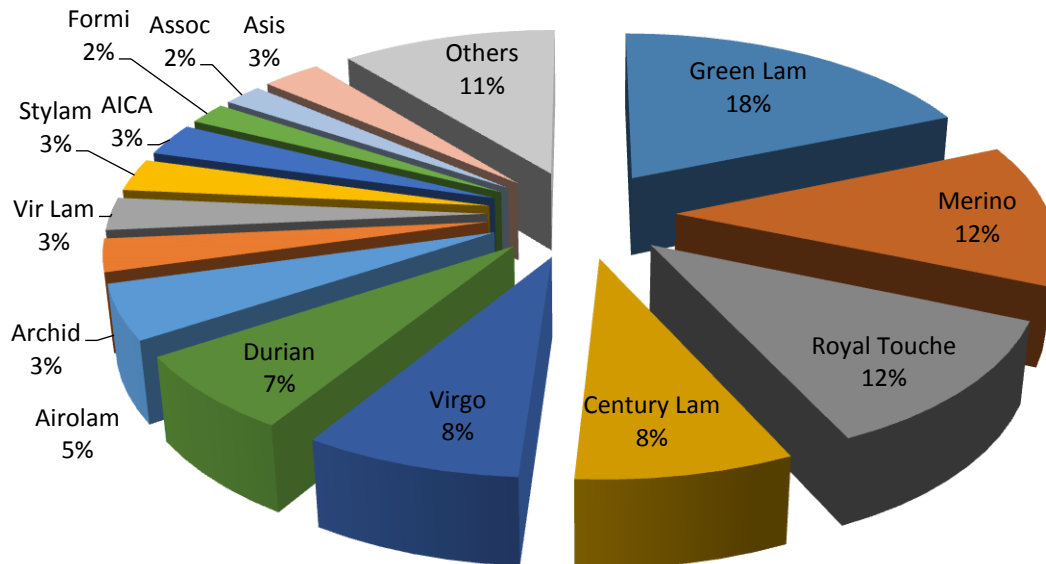


But the value analysis reflects the dominance of top brands which holds more than half of the market share in HPL category. The Mid Segment is almost on similar ratio be it Volume wise (number of sheets sold per month) or Value wise.

Value Wise Industry Share Among Top/Mid/Unorganised



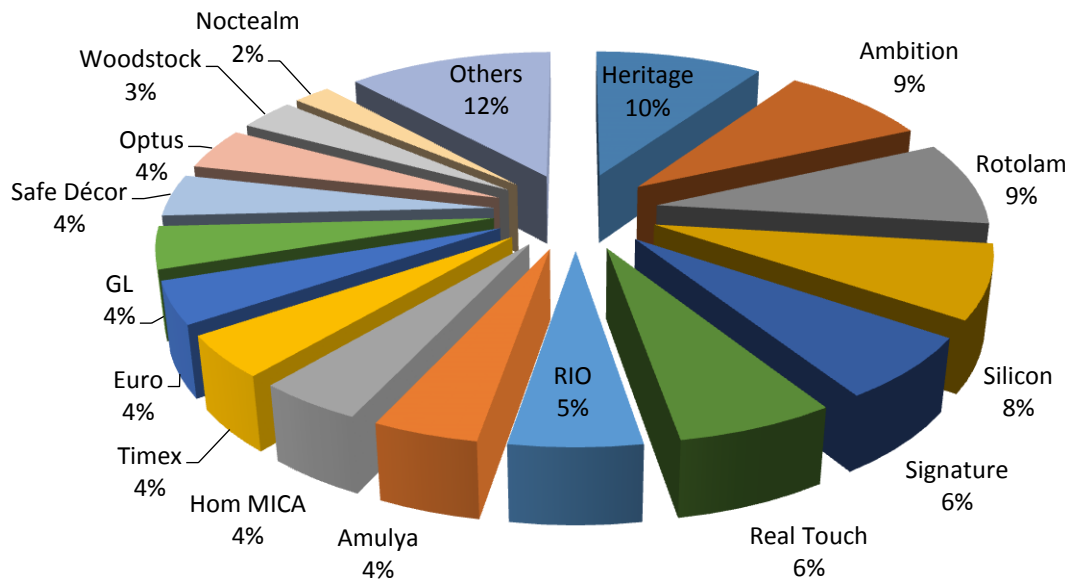
Branded Share In 1.0 Mm Category



**The organized category includes all those companies who have either audited balance sheets or national presence with branch team and stock in place apart from other necessary recognition or it is regarded as a top brand in trade customer category pan India. (Some brands are mentioned in small form due to space constraint. Brands included are Formica & Associate)*

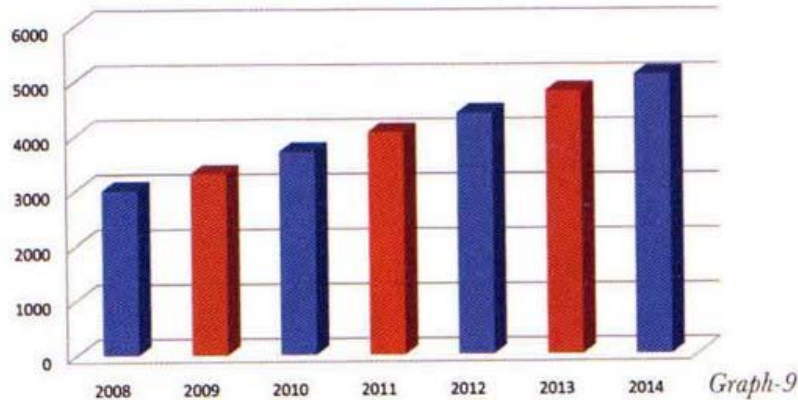
In mid segment category six players, Heritage, Ambition, Rotolam, Silicon, Signature and Real touch together account for almost 45% of the market of 1.0 mm, whereas rest all caters to remaining market. Although the percentage share does not reflect a big gap among brands that shows 'high degree of competition in the segment.

Mid Segment Brands Share % In 1 mm Segment



Industry Turnover: The Indian laminate industry and trade is estimated to be of Rs. 4800 Crores per annum in 2013. By 2014 it was expected to touch Rs. 5100 Crores.

The below graph shows the year wise turnover (in Crores INR).

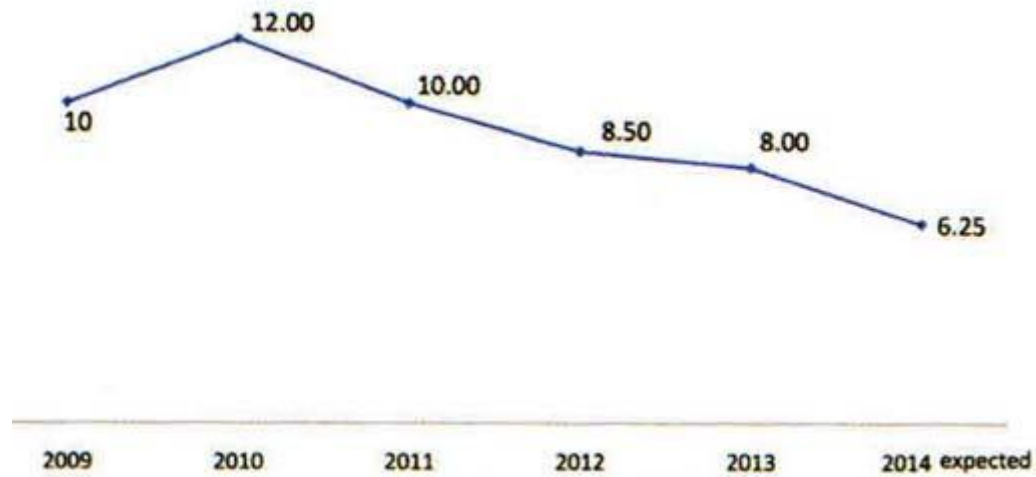


If we compare it to the past few years, the growth has come down by 2 to 3%. Since 2013, value wise Indian laminate industry is growing more in Liner grade or commodity materials where operating margins are already at the base level.

The actual growth in HPL in volumes of quality materials is estimated to be around 5 to 6%, considering the balance contribution to growth due to inflation effects.

Year wise HPL Industry Growth (In Crore INR / annum)

The below chart represents year wise growth registered in HPL industry turnover in India.



* Source: The Ply Reporter - June 2014 Supplement - Laminate Mega Issue.

Source: Indian Laminate Manufacturer's Association_Latest facts and figures

FUTURE OUTLOOK

In 2014 it was anticipated that industry will witness a little better growth post elections. The reasons are positive sentiments, emerging new areas and demand in already growing cities with new Government and growing commitment to work for social growth. With the emergence of new ways in retailing of laminates and other surface materials, Indian HPL industry and trade can hope for better growth, if working with systems and aggression.



OUR BUSINESS

Incorporated in Ahmedabad, in the year 2010, our Company is one of the leading manufacturers of mid segment decorative laminates and door skins. Within a short period of our existence, we have garnered 8% market share in 1MM mid segment brands, which is segment second highest, as per survey by Ply Reporter Magazine in the year 2014. We market laminates under brands like Antique, Art Lam, Antique Aurum, Antique colourcore and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch All our brands are owned by our company.

Our Company has BIS Certification Marks License No CM/L 3792388 and all our products are IS 2046 : 1995 compliant in terms of quality. With approximately 1,152 designs in laminates and 429 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have long experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in short period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 20 distributors and 2545 dealers, we serve both industrial and consumer applications and have been able to establish a presence in west and south India.

Our manufacturing process involves Phenol and Formaldehyde as raw material. These chemicals are heated to form Polymeric resin of Phenol Formaldehyde. We use Methanol as solvent and layers of these resins are applied on Decorative Paper. These papers are cut and several layers of such papers are joined according to the required thickness. BOOP film is placed for separating the layers of two adjoining sheets and pressure is applied thereafter to form proper structure. Hydraulic pressure is also applied through multi opening hydraulic press at high temperature to create proper mould. Such laminated sheets are trimmed from all four sides and each sheet is sanded from the back for proper bonding. These laminated sheets are packed and then dispatched.

Our Company believes in emerging technologically. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and Ios platform which is available for download for free in Google Play Store and Apple Store.

With the initiative of going online, launching of mobile application, experience of promoters, strong network of dealers and distributors, presence in the different parts of the country, varied design portfolio, our company aims to focus on adopting innovative manufacturing approaches to meet our client's expectations, quality and become leaders laminate industry.

OUR PRODUCTS

Decorative Laminates: Decorative Laminates are laminated products primarily used as furniture surface materials or wall paneling. They are usually used for furniture tops especially on flat surfaces, including cabinets and tables.





Door Skin: Door skin is a cost effective alternative for artistically covering the doors while minimizing wastage. It is primarily a laminate which comes in standard door sizes and wide variety of designs which can be easily used to cover doors

Colour Core Laminate: Colour Core Laminates, with its solid colour throughout are ideal for use in high visibility areas like sales counters, reception desks and furniture and offer enormous possibilities for innovative and trendy interiors.

Electrical Insulation Board: Electrical Insulation Board is basically laminate sheet which is used for manufacture of switch boards.

Our products have both industrial and consumer application and end users of our products are consumers.

OUR BRANDS

| Laminates | |
|---|--|
| Brand | Description |
|  | <p>"ANTIQUE" is very popular brand in retail segment of decorative laminates, because of wide range of designs, and good quality. European decorative paper is used which help us to maintain the quality.</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>ART LAM is developed for economic segment which is most preferable and affordable for Indian market. The decorative paper is procured from China. With a view to cater to economy segment have introduced the economic laminate under ART LAM brand.</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>This is our premium product in which we use exclusive design papers. World's biggest decorative paper suppliers exclusively offer these designs to us. These laminates are priced at a premium to regular Antique Laminates</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>LAM ART is the commercial segment laminate which is widely used because of its very economic pricing. Indian decorative base paper is used to manufacture this laminate.</p> <p>Available Sizes: 8' X 4'</p> |
|  | <p>Natural wood series of ANTIQUE is new concept introduce us. We select designs from natural veneer and develop the decorative paper. Its cost is very less than veneer and life is higher. This is our popular catalogue in interior and architecture.</p> <p>Available Sizes: 8' X 4'</p> |

| Door Skin | |
|---|---|
| Brand | Description |
|  Premium Metal Door Skins & Wardrobe | <p>Beautique premium metal door skin is manufactured by selectively chosen imported design paper and perforated aluminium foil. It is the only range which contains 100% imported paper that improves longevity.</p> <p>Available Sizes: 7' X 3' & 8' X 4'</p> |
|  TRENDY DOOR DESIGN | <p>Texas range is specifically designed and highly recommended for main door applications. The range consists of traditional metal door skins, emboss door skins, metal door skins, paper cut door skins, higher resolution digital door skins, and eco door skins.</p> <p>Available Sizes: 7' X 3.25'</p> |
|  Designer Door Skin | <p>This ready-to-use concept for décor benefits the customer by easing installation, reducing wastage, and minimising costs. Microtouch designer range offers metal door skins, paper cut door skins, high resolution digital door skins and emboss door skins.</p> <p>Available Sizes: 7' X 3' & 8' X 4'</p> |
|  ECO DOOR SKIN | <p>Door touch eco door skins offer a multitude of cylinder printed designs that can be pasted on flush doors. Its widely spread applications are found in various commercial and residential sectors.</p> <p>Available Sizes: 7' X 3'</p> |
|  every main door deserve the best | <p>"Antique" Naturalwood Doorskin presents the perfect replacement for veneer doorskin with contemporary design. It is developed by 100% imported paper that improves longevity.</p> <p>Available Sizes: 7' X 3.25'</p> |

OUR MANUFACTURING FACILITY

Our plant is located at Plot No. 309, Vehlal Road, Zak, Ta. Dahegam Dist. Gandhinagar in the state of Gujarat. The following are the details of Plant and Machineries

| Sr. No | Name of Machinery | Quantity |
|--------|------------------------|----------|
| 1. | Air Compressor | 4 |
| 2. | Bag Filter | 2 |
| 3. | Chemical Tank | 2 |
| 4. | Chimney | 1 |
| 5. | Chemical Plant (Resin) | 1 |
| 6. | Cooling Tower | 3 |
| 7. | Crane | 3 |

| Sr. No | Name of Machinery | Quantity |
|--------|-------------------------------|----------|
| 8. | Cutting Machine | 2 |
| 9. | D G Set | 1 |
| 10. | Dryer Machine | 5 |
| 11. | Dust Collection | 2 |
| 12. | Hydraulic Press | 3 |
| 13. | Load Cell | 3 |
| 14. | Loading-Unloading System | 3 |
| 15. | Power Press | 1 |
| 16. | PP Film Stocking Machine | 1 |
| 17. | Sample Machine Loser Engraver | 1 |
| 18. | Sanding Machine | 3 |
| 19. | Scissor Lift | 2 |
| 20. | Steam Boiler | 2 |
| 21. | Submersible Pump | 1 |
| 22. | Vacuum Panel | 3 |

EXISTING CAPACITY & UTILISATION

In Sheets

| Year | Installed Capacity | Actual Production | Utilization % |
|---------------------------|--------------------|-------------------|---------------|
| Financial Year 2011-2012 | 6,63,552 | 4,25,606 | 64.14 |
| Financial Year 2012-2013* | 10,50,624 | 5,64,103 | 53.69 |
| Financial Year 2013-2014 | 13,27,104 | 9,20,717 | 69.38 |

*The hydraulic press was installed during the year hence installed capacity has been proportionately calculated.

Note: The installed capacities mentioned above is on the basis of standard size of laminated sheets. However the actual production is of different size of laminated sheets. The Percentage calculation of utilization does not give the actual capacity utilization as capacity is estimated in terms of 1 mm laminates and actual production is of laminates of different thickness.

Projected capacity and capacity utilization of Decorative Laminate Sheets for the next 3 years is given as under:

In Sheets

| Year | Installed Capacity | Projected Production | Utilization % |
|---|--------------------|----------------------|---------------|
| Financial Year 2014-2015 (Provisional) | 17,69,472 | 854000 | 48.26 |
| Financial Year 2015-2016 | 17,69,472 | 1240000 | 70.08 |
| Financial Year 2016-2017 | 17,69,472 | 1240000 | 70.08 |
| Financial Year 2017-2018 | 17,69,472 | 1240000 | 70.08 |

UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Naroda and manufacturing facility at Zak is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. Our manufacturing facility at Zak is equipped with requisite utilities and infrastructure facilities including the following:

Power

In our unit in Zak the sanctioned load is 350 KVA from Uttar Gujarat Vij Company Limited. We also have DG set (generator), which is used as standby arrangement for power.

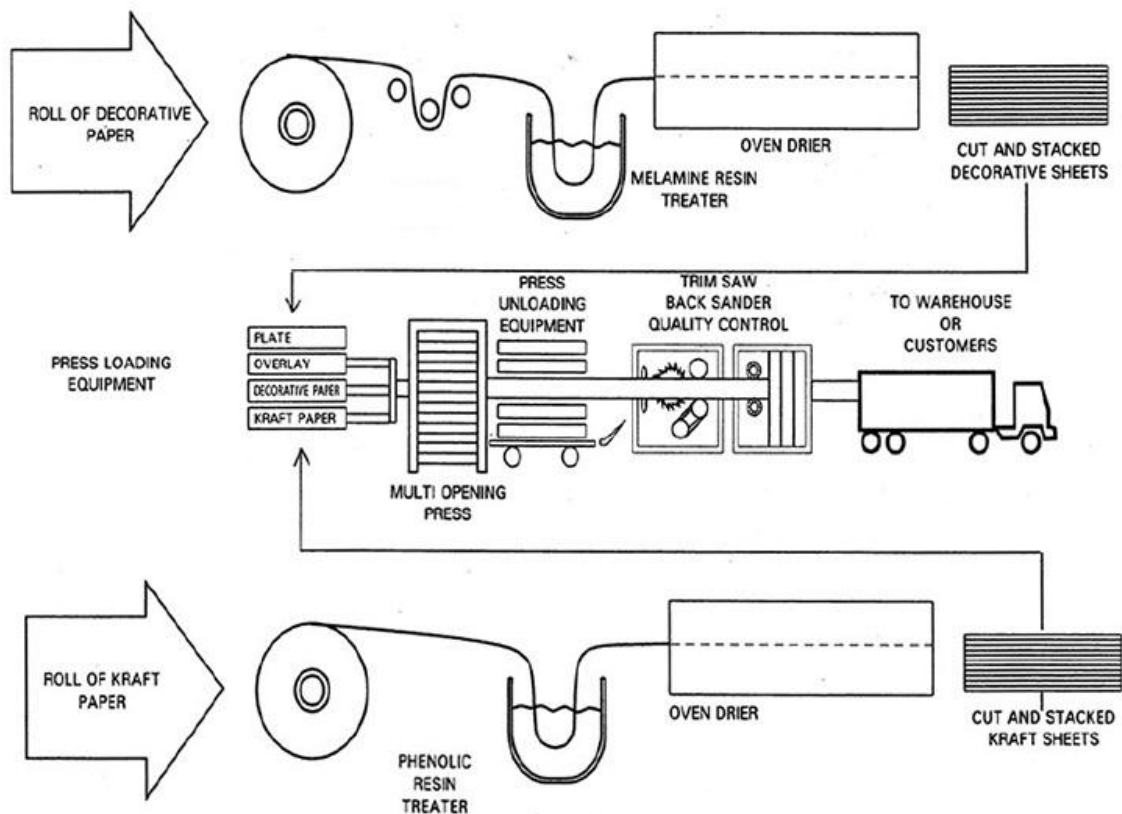
Water

The water requirement for manufacturing facilities is met through our own bore well.

Fuel

At our manufacturing facility at Zak, we use coal and fire wood for boiler. At present we have 2 boilers with capacity of 4 tons and 6 tons respectively. The present usage of coal is approx.532 tons and firewood is 1377 tons approximately p.a. for the boilers.

PRODUCTION PROCESS



Production of Resin

Phenol and Formaldehyde are taken in MS jacketed vessel and blended at 100 degree Celsius to form polymeric resin of Phenol Formaldehyde. Similarly, Melamine and Formaldehyde are blended in reaction chamber to form Melamine Formaldehyde. Since these resins are very viscous they are diluted by adding solvent (Methanol).

Impregnation of Paper

The layers of these resins are applied on Decorative Paper and Kraft Paper through impregnation. They are then dried in hot air drying system.

Pressing

Decorative Paper and Kraft Paper are cut and several layers of these papers are put together according to the thickness desired. The stainless steel moulds are placed for desired finish and BOOP film is placed for separating the various layers of two adjoining sheets, before applying pressure. Thereafter hydraulic pressure at a very high temperature is applied through multi opening hydraulic press.

Cutting and Finishing

The laminated sheets thus prepared are trimmed from all the four sides and each sheet is sanded from the back for proper bonding.

Packing and Dispatch

The laminated sheets thus prepared are segregated, wrapped and packed for dispatch.

RAW MATERIALS

The principal raw material used in the manufacture of laminates comprises of kraft and decorative paper, phenol, formaldehyde and melamine. Kraft paper is sourced domestically and we source high-end and premium decorative papers from abroad domestically through domestic importers.

The principal chemicals required for the manufacture of laminates are phenol, formaldehyde, melamine and methanol from domestic suppliers.

OUR COMPETITIVE STRENGTHS

We believe that the following are our Primary competitive strengths:

(a) Robust Brand Portfolio

The laminate industry is a fragmented and an unorganized industry. We believe that our brands have created a niche for themselves in the Industry. We have been able to grow and sustain the demand for our brands by offering a constant flow of new and unique designs and finishes.

(b) Very Wide Product Range

| Brand | No of Designs |
|-------------------------------|---------------|
| Antique | 434 |
| Artlam | 345 |
| Antique Natural Wood | 84 |
| Antique Aurum | 79 |
| Lam Art | 210 |
| Total | 1,152 |
| Beautique | 101 |
| Texas | 109 |
| Micro Touch | 108 |
| Door Touch | 65 |
| Antique Natural Wood Doorskin | 46 |
| Total | 429 |



With approximately 1,152 designs in laminated and 429 designs in Door Skins we have one of the largest design portfolio in the Industry. This gives us unmatched competitive edge over our competitors.

(c) Proficient Management Team

Our Promoters have long experience in the industry. Our senior management team has experience in sourcing of raw materials, product designing, operating manufacturing facilities and marketing of laminates. The vision, prudence and dynamism of our management enables us to discover and capitalize on new opportunities and accordingly position ourselves to become leaders in Our industry.

(d) Our Sales Distribution and Marketing Network

We have presence in west and south India through our network of 20 distributors and 2545 dealers. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and ios platform which is available for download for free in Google Play Store and Apple Store. We participate in number of exhibitions across India to create awareness about our products

(e) High Product Quality

We focus on the quality of the raw materials and finished products at our manufacturing unit to ensure that the desired quality is attained. We have BIS Certification Marks License No CM/L 3792388 and all our products are IS 2046 : 1995 complaint in terms of quality.

HUMAN RESOURCE

As on date of this Prospectus our Company has 51 Employees on Payroll. Our manpower is a prudent mix of the experienced and the youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Department wise break up

| Department | No. of Employees |
|-----------------------------|------------------|
| Accounts and Administration | 3 |
| Production | 43 |
| Dispatch | 5 |
| Total | 51 |

We have not entered into any collective bargaining agreements with our employees. Our Company has given labour contract for the supply of labour for all the four plants. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we have good relationship with our employees. We seek to adopt an open culture and a participative management style, to enable us to maximize the benefits from the knowledge and skills of our management.

OUR BUSINESS STRATEGY



1. *To continue adding newer designs to our Portfolio*

Our wide product range provides us competitive edge over our competitors. We will in order to maintain our competitive edge keep on adding newer designs and textures to our product portfolio.

2. *To continue brand building*

The economy and industry in general is seeing a shift in market share towards branded products. We will continue to invest in our brands maintain and grow our market share.

3. *To continue strengthening our distributor network*

Strength of distribution and sales network is key to success in our industry. We will focus on expanding on our distributorship network by appointing new distributors in states where we have limited presence or no presence.

OUR MARKETING STRATEGY

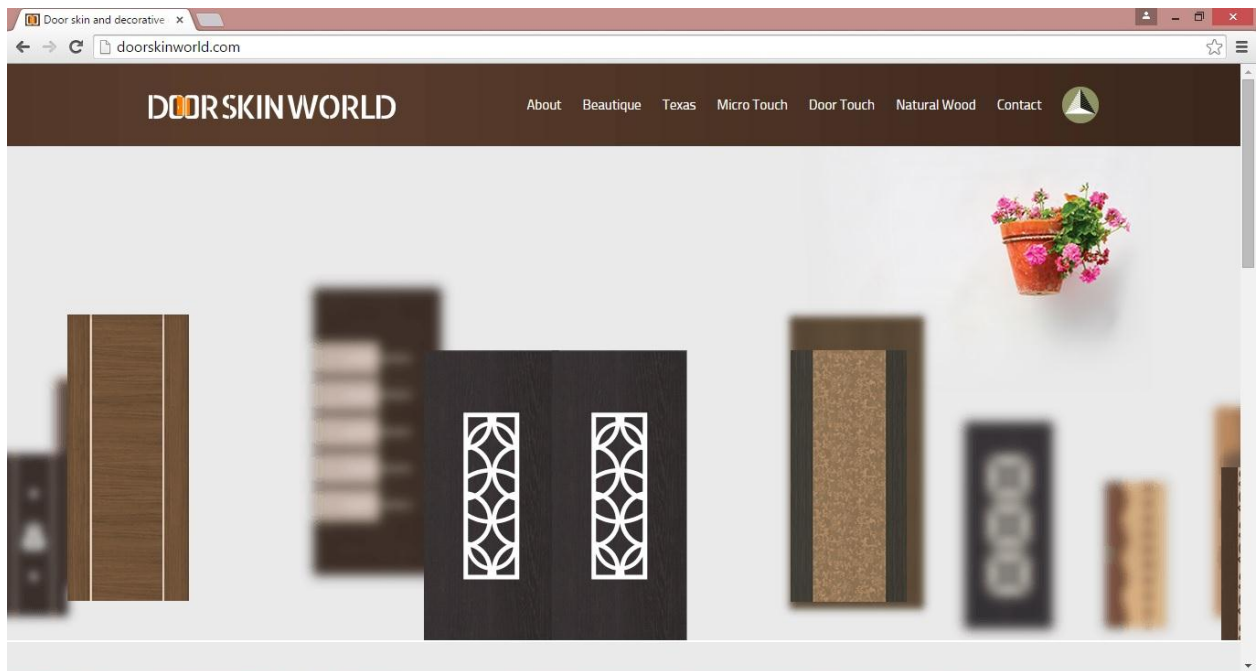
Our robust brand promotion strategy has helped us to emerge as one of the leading Decorative Laminated Sheet manufacturer. Within a short period of our existence we have garnered 8% market share in 1MM Mid segment brands as per survey by Ply Reporter Magazine in the year 2014.

We have presence in west and south India through our network of 20 distributors and 2545 dealers. Following are the details of the nationwide distributors and dealer network covering all important towns and cities:

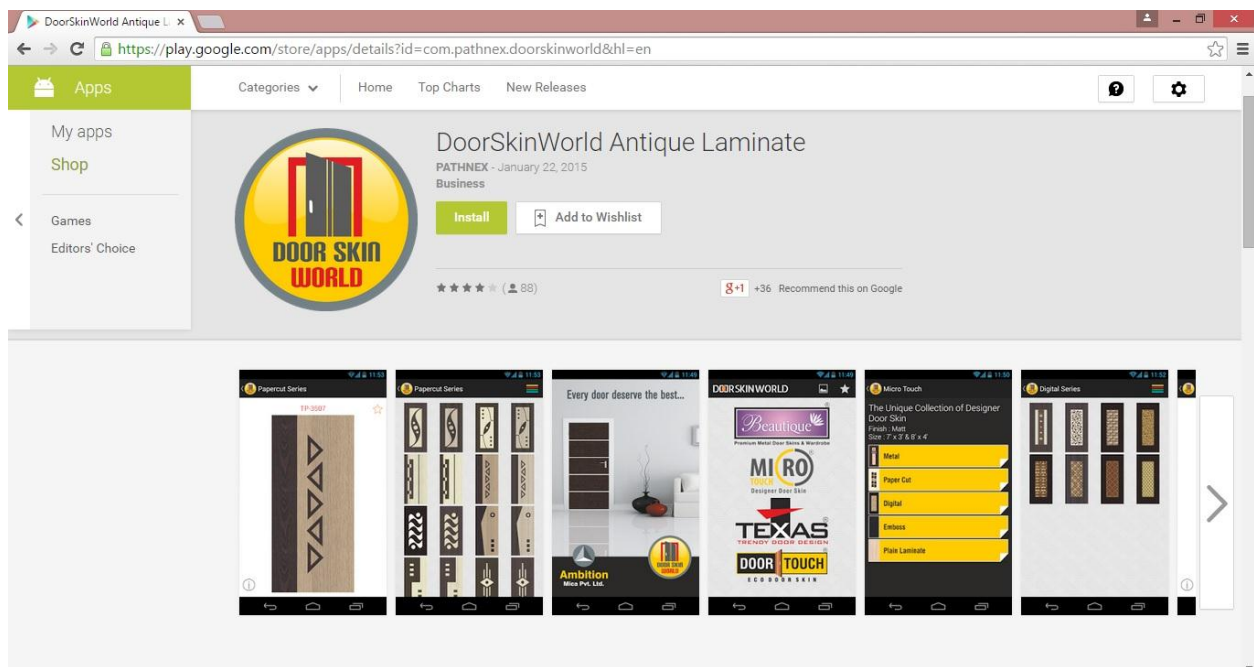
| State | No of Distributors | No of Dealers |
|--------------|--------------------|---------------|
| Chhattisgarh | 2 | 174 |

| State | No of Distributors | No of Dealers |
|----------------------------|--------------------|---------------|
| Gujarat | 6 | 597 |
| Karnataka | 2 | 588 |
| Madhya Pradesh | 1 | 97 |
| Maharashtra | 4 | 698 |
| Odisha | 1 | 40 |
| Rajasthan | 3 | 187 |
| Telangana / Andhra Pradesh | 1 | 163 |
| Uttar Pradesh | 0 | 1 |
| Total | 20 | 2545 |

In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online.



Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and iOS platform which is available for download for free in Google Play Store and Apple Store.



We participate in number of exhibitions across India to create awareness about our products. Details of some of exhibitions where we have participated are given below:

| Sr. No | Name | Year | Location |
|--------|---|------|-----------|
| 1. | Economic Times Acetech | 2013 | Mumbai |
| 2. | Delhi Wood | 2013 | Delhi |
| 3. | Economic Times Acetech | 2014 | Mumbai |
| 4. | India Wood | 2014 | Bangalore |
| 5. | Institute of Indian Interior Designers Show | 2015 | Indore |

We also regularly organize meets with selected distributors and dealers to inform them about new designs and products developed by us and of the introduction of new products. This enables to win assurance of the distributors and dealers to promote our products product. The communication with the distributors and dealers is enables us to assess the performance of our products in the market and enables us to tweak our products to suit customer's requirement.

COMPETITION

Our Company and the laminate industry in general continue to face competition from the unorganized sector. Our Company intend to face this competition through product differentiation. Our major competitors are Rushil Décor Limited, Archidply Industries Limited, Greenply Industries Limited, Century PlyBoard (India) Limited, Alfa Ica (India) Limited and Bloom Dekor limited .

EXPORT OBLIGATIONS

Currently we do not have any export obligations

COLLABORATION

We have not entered into technical, marketing or financial collaboration.

LAND AND PROPERTY

Properties Owned by the Company

| Sr. No. | Property Kind | Description of Property | Area | Vendors Details | Purchase Consideration (In Lakhs) | Date of Purchase | Title |
|---------|--------------------|---|-----------|-----------------------|-----------------------------------|-------------------|-------|
| 1 | Free Hold Property | Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad - 382330 | 454 Sq.Ft | Raghav Infrastructure | Rs. 22.70/- | February 13, 2013 | Clear |

Properties Taken on Lease/leave and license by the Company

| Sr. No | Location of the property | Document and Date | Licensor/Lessor | Lease Rent/ License Fee | Lease/License period | | Purpose |
|--------|---|--|------------------------------|-------------------------|----------------------|----------------|----------------------------|
| | | | | | From | To | |
| 1 | Plot No. 309, Vehlal Road, Village Zak, Ta. Dahegam Dist. Gandhinagar | Rent Agreement dated October 10, 2010 | Monghiben Veljibhai Patel | Rs. 50,000 per month | April 1, 2010 | March 31, 2040 | Manufacturing Facility |
| 2 | 306, Village Zak, Ta. Dahegam Dist. Gandhinagar | Leave and License agreement dated May 25, 2012 | Anilkumar Vithalbhai Makwana | Rs. 3,25,000 per annum | May 1, 2012 | April 30, 2021 | Admin Office and Warehouse |
| 3 | Plot No. 311, Village Zak, Ta. Dahegam Dist. Gandhinagar | Lease Agreement dated June 27, 2013 | Monghiben Veljibhai Patel | Rs. 6,000 per month | June 1, 2013 | May 1, 2024 | Labour Quarters |

INTELLECTUAL PROPERTY RIGHTS

In order to protect our intellectual property rights, we have registered trademarks for our various products and have also applied for Trademark registration for various products. We have registered following Trademarks with Trademarks Registry, Government of India and as on date of this Prospectus they are legally held by the Company

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|-------------|-----------------|-----------|--------------------|----------------|-------|----------------|--------|
|--------|-------------|-----------------|-----------|--------------------|----------------|-------|----------------|--------|

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|------------------------------------|-----------------|-------------------------------|--------------------|-------------------|-------|-------------------|--|
| 1. | PANVEL* PANVEL | WORD | M/S. Venus Ply Industries | 1427985 | 08 March 2006 | 19 | 08 March 2016 | Registered Certificate No. 691225 Dated : 08/03/2008 |
| 2. | VELSON* VELSON | DEVICE | M/S. Venus Ply Industries | 1739426 | 01 October 2008 | 19 | 01 October 2018 | Registered Certificate No. 917073 Dated : 29/01/2011 |
| 3. | DOOR TOUCH* DOOR TOUCH | DEVICE | M/s. Venus Ply Industries | 1739932 | 03 October 2008 | 19 | 03 October 2018 | Registered Certificate No. 1029503 Dated : 06/01/2012 |
| 4. | ANTIQUE* ANTIQUE | DEVICE | M/S. Venus Ply Industries | 1731636 | 12 September 2008 | 19 | 12 September 2018 | Registered Certificate No. 914802 Dated : 27/01/2011 |
| 5. | MICRO TOUCH* MICRO TOUCH | DEVICE | M/S. Venus Ply Industries | 1731637 | 12 September 2008 | 19 | 12 September 2018 | Registered Certificate No. 899017 Dated : 03/01/2011 |
| 6. | DZIRE DZIRE | DEVICE | Ambition Mica Private Limited | 1805869 | 13 April 2009 | 19 | NA | Rejected |
| 7. | ARTLAM* Artlam | DEVICE | M/s. Venus Ply Industries | 1972125 | 28 May 2010 | 19 | 28 May 2020 | Registered Certificate No. 1011023 Dated : 13/05/2011 |
| 8. | LUXURY Luxury | DEVICE | Ambition Mica Private Limited | 1972126 | 28 May 2010 | 19 | NA | Objected |

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|-------------------------------|-----------------|-------------------------------|--------------------|----------------|-------|----------------|---|
| 9. | HAVMORE Havmore | DEVICE | Ambition Mica Private Limited | 1972127 | 28 May 2010 | 19 | NA | Rejected |
| 10. | TEXAS TEXAS | DEVICE | Ambition Mica Private Limited | 1992045 | 12 July 2010 | 19 | NA | Objected |
| 11. | BEAUTIQUE BEAUTIQUE | WORD | Ambition Mica Private Limited | 2154294 | 03 June 2011 | 19 | 03 June 2021 | Registered Certificate No. 1180691 Dated : 01/08/2014 |
| 12. | SPEAK LAM SPEAK LAM | WORD | Ambition Mica Private Limited | 2154293 | 03 June 2011 | 19 | 03 June 2021 | Registered Certificate No.1180683 Dated : 01/08/2014 |
| 13. | BELEZA BELEZA | WORD | Ambition Mica Private Limited | 2305889 | 26 March 2012 | 19 | NA | Objected |
| 14. | DOOR NATION | WORD | Ambition Mica Private Limited | 2926850 | 21 March 2015 | 19 | NA | Unregistered |
| 15. | VISUAL | WORD | Ambition Mica Private Limited | 2926848 | 21 March 2015 | 19 | NA | Unregistered |

**The Trademark has been assigned over to Ambition Mica Private Limited by a deed of assignment dated 16th August 2013. The Registry has taken the deed of assignment dated 16th August 2013 on record by Form TM -24 on 31st December 2013 for the Trademark.*

Our company relies on trademarks, to help establish and preserve limited proprietary protection for its products.

Insurance

We have insured our assets, our workers and stocks through various insurance policies, details of which are as under:

| Sr. No. | Name and Address | Policy No. | Nature of Policy | Premium (Rs.) | Coverage (Rs Lakhs.) | Expiry date |
|---------|---|------------------------|---|---------------|---|-------------------|
| 1 | Ambition Mica Pvt Ltd Plot No 309, At & Post Zak, Tal Dehgam, Dist Gandhinagar – 382010 | 141601/21 /2015/82 | Marine Cargo Open Policy | 1,40,451 | 2,000 | September 9, 2015 |
| 2 | Ambition Mica Pvt Ltd Plot No 309, At & Post Zak, Tal Dehgam, Dist Gandhinagar – 382010 | 141601/48 /2015/492 7 | Employers Liability – Other than Collieries Policy Schedule | 1,27,036 | Total annual wages of all employees * 120 times | November 30, 2015 |
| 3 | Ambition Mica Pvt Ltd Plot No 309, At & Post Zak, Tal Dehgam, Dist Gandhinagar – 382010 | NA | Group Mediclaim Tailormade Policy Schedule | 42,697 | 1 lakh per employee upto 100 employees | November 30, 2015 |
| 4 | Ambition Mica Pvt Ltd Plot No 309, At Zak, Tal Dehgam, Dist Gandhinagar – 382010 | 212103111 401000015 22 | Standard Fire and Special Perils Policy | 2,89,047 | 2,800 | March 8, 2016 |

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Except as otherwise specified in this Prospectus, Companies Act, 1956 / Companies Act, 2013, as may be applicable, taxation statutes such as the Income Tax Act, 1961 and other miscellaneous laws apply to the Company as they do generally to any other Indian company, and , accordingly, have not been covered under this chapter. The statements below are based on the 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.

Approvals

For the purpose of the business undertaken by the Company, we are required to obtain licenses and approvals depending upon prevailing laws and regulations. For details of such approvals, please refer to the section titled “Government and Other Statutory Approvals” starting from page 239 of this Prospectus.

Applicable Laws:

Labour Laws

The Factories Act, 1948

The Factories Act, 1948, as amended from time to time (**‘Factories Act’**), seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. It applies to industries in which ten or more workers are employed on any day of the preceding twelve months and are engaged in the manufacturing process being carried out with the aid of power, or twenty or more workers are employed in the manufacturing process being carried out without the aid of power. The Factories Act does not cover mines governed by the Mines Act, 1952, or a mobile unit belonging to the armed forces, railway running shed or a hotel, restaurant or eating place.

The Factories Act provides that the ‘occupier’ of a factory i.e. the person who has ultimate control over the affairs of the factory i.e. in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions.

Each State Government has set out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories. *The Gujarat Factories Rules, 1963* (**‘Rules’**) is applicable to the establishments of the Company. The Rules govern approval of plans, grant of licenses and working hours and conditions of workers. The Rules make provisions for ensuring health and safety of the workers at the factory.

Indian Boilers Act, 1923

The Indian Boilers Act, 1923 as amended from time to time (**'Boilers Act'**) cover various aspects of material and equipment utilized in the manufacture of boilers for use in India and the registration, operation and repair of boilers in India. The object of the Boiler Act is to secure uniformity throughout India in all technical matters connected with boiler regulations such as the standards of construction, maximum pressure, etc. and to insist on the registration and regular inspection of all boilers throughout India. The owner of any boiler which is not registered under the Boilers Act shall make an application alongwith the prescribed fees for registration of the Boiler with the Inspector under the Boilers Act. Post receipt of application, the Inspector examine the Boiler and report the result of examination to the Chief Inspector, who then registers the Boiler and assigns a registration number and certificate to the owner of the Boiler.

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (**'EPF Act'**), ensures compulsory provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. The EPF Act applies to all establishments engaged in any industry specified in Schedule I (of the EPF Act) that employ twenty or more persons and to any other establishment employing twenty or more persons or class of such establishments which the Central Government may specify by a notification.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965, as amended from time to time (**'Bonus Act'**), provides for payment of bonus based on profit or based on production or productivity to persons employed in factories or in establishments employing twenty or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972, as amended from time to time (**'Gratuity Act'**), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakh.



Payment of Gratuity (Gujarat) Rules, 1973 ('Rules') are applicable to the Company. The Rules provide procedures for, amongst others, application for gratuity and mode of its payment.

Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923, as amended from time to time (**'Compensation Act'**) aims to provide employees and their dependents, compensatory payment, in case of accidents arising out of and in course of employment and causing either death or disablement of employees. It applies to factories, mines, docks, construction establishments, plantations, oilfields and other establishments listed in Schedule II and III of the Compensation Act but exclude any establishment covered by the Employees' State Insurance Act. Every employee including those employed through a contractor except casual employees, who are engaged for the purposes of employer's business and who suffers an injury in any accident arising out of and in the course of his employment is entitled to compensation under the Compensation Act.

The Gujarat Workmen's Compensation Rules, 1967 ('Rules') are applicable to the company. The Rules provide provisions governing deposit of compensation, medical examinations of workers along with notice, statements and reports on accidents among other procedures.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended from time to time (**'Minimum Wages Act'**), was enacted to provide for fixing minimum rates of wages in certain employments. The consequences of failure to adhere to the minimum rates of wages fixed under the Minimum Wages Act is in the form of liability to prosecution and punishment in the form of imprisonment of up to six months and/or fines of up to Rupees Five Hundred. Further, employees having earned less than the minimum wage fixed are entitled to the payment of shortfall amounts, in addition to a compensation, which may extend up to ten times the shortfall amount.

The Gujarat Minimum Wages, Rules, 1961 ('Rules') are also applicable to the state of Gujarat and to the Company. The Rules govern procedural aspects of the Minimum Wages Act.

Payment of Wages Act, 1936

Payment of Wages Act, 1936, as amended from time to time (**'Wages Act'**) is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in payment of wages. It contains provisions in relation to the responsibility for payment of wages, fixing of wage periods, time of payment of wages, and maintenance of registers and records. It applies to the persons employed in a factory, industrial or other establishment or in a railway, either directly or indirectly, through a sub-contractor. Further, the Wages Act is applicable to employees drawing wages up to Rupees Eighteen Thousand per month.

The Gujarat Payment of Wages Rules, 1963 governs the procedural aspects of the Wages Act including maintenance of registers, procedure for imposing fines and payment of excess bonus.

Maternity Benefit Act, 1961

Maternity Benefit Act, 1961, as amended from time to time (**'Maternity Benefit Act'**), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. It applies to every

establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 as amended from time to time (***'Remuneration Act'***) aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/ her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favorable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature.

In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

The Child Labour (Prohibition & Regulation) Act, 1986

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (***'Child Labour Act'***) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970, as amended from time to time (***'CLRA'***) requires establishments that employ or have employed on any day in the preceding twelve months, twenty or more workers as contract labour to be registered. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

The Contract Labour (Regulation and Abolition) (Gujarat) Rules, 1972, provides for the constitution of the state board and makes provisions for registration and licensing of establishments, the welfare and health of contract labour and maintenance of registers.

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 as amended from time to time (**'ID Act'**) provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The Industrial Disputes Act provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

Industrial Disputes (Gujarat) Rules, 1966 ('Rules') also applicable to the state of Gujarat and to the Company. The Rules govern the procedural aspects of the ID Act.

The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 as amended from time to time (**'Standing Orders Act'**) applies to every industrial establishment where hundred or more workers are/were employed on any day of the preceding twelve months. It applies to every worker employed in an industrial establishment but excludes workers employed in a managerial or administrative capacity and workers employed in a supervisory capacity and drawing wages more than Rupees Ten Thousand per month. Under the Standing Orders Act, standing orders are to be framed in order to standardize the service conditions of the workers in industrial establishments. The standing orders are to be displayed prominently in the establishment in English and the language understood by the workers near the entrance of the establishment and all departments.

The Bombay Industrial Employment (Standing Orders) Rules, 1959 ('Rules') are also applicable to the State of Gujarat and, therefore, to the Company. The Rules govern the procedural aspects of the Standing Orders Act.

The Trade Union Act, 1926

The Trade Union Act, 1926 as amended from time to time (**'Trade Union Act'**) provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Union Act also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers and aims at regularizing labour-management relations.

No trade union shall be registered unless a minimum of seven workers engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the

date of making of application for registration. However, a trade union shall not be registered unless at least ten per cent, or one hundred of the workers, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of the Trade Union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 as amended from time to time (**'Migrant Workmen Act'**) is applicable to an establishment, which employs five or more Inter-State migrant workers through an intermediary who has recruited workers from one State for employment in an establishment situated in another State. The inter-State migrant workers, in an establishment to which the Migrant Workmen Act becomes applicable, are required to be provided with certain facilities such as housing, medical aid, travel expenses etc.

Apprentices Act, 1961

The Apprentices Act, 1961 as amended from time to time (**'Apprentice Act'**) was enacted to regulate and control the program of training of apprentices and for matters connected therewith. The term 'apprentice' means "a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship". While, 'apprenticeship training' means "a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices". The Apprentice Act makes it obligatory on part of the employers both in public and private sector establishments having requisite training infrastructure as laid down in the Apprentice Act, to engage apprentices. The Apprentice Act covers a total of 259 designated trades and more than 250 groups of industries.

Shops and Establishment Acts

Establishments are required to be registered under the provisions of local shops and establishments legislation applicable in the relevant states. The objective of the act, irrespective of the state, is to regulate the working and employment conditions of worker employed in shops and establishments including commercial establishments. The act provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Gujarat Shops and Establishments Act, 1948 govern the Company's shops and establishments in Gujarat.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time (**'SHWW Act'**) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.



The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of three months from the date of incident. If the establishment has less than ten employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

Anti-Trust Laws

Competition Act, 2002

The Competition Act, 2002, as amended from time to time (***'Competition Act'***) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Act prohibits anti-competitive agreements, abuse of dominant position and regulates combinations (mergers and acquisitions) with a view to ensure that there is no adverse effect on competition in the relevant market in India.

Under the Competition Act, the Competition Commission has powers to pass directions / impose penalties in cases of anti-competitive agreements, abuse of dominant position and combinations, provided the penalty is not more than ten per cent of the average turnover of the last three years.

Intellectual Property Laws

The Patents Act, 1970

The Patents Act, 1970, as amended from time to time (***'Patents Act'***), provides for the grant of patents to protect the legal rights tied to the intellectual property in inventions. A patent gives the holder of the patent the right to prevent others from exploiting the patented invention commercially in the country where the patent has been granted. In order for a patent to be granted to an invention, it must be novel, have an inventive step and should be capable of industrial application. The Patents Act sets out inventions that are not patentable along with the form and manner of application for patents. Patents obtained in India are valid for a period of twenty years from the date of filing the application.

The Trade Marks Act, 1999

The Trade Marks Act, 1999, as amended from time to time (***'Trademarks Act'***), governs the statutory protection of trademarks in India. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks are also registrable under the Trademarks Act. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after 10 years, the mark lapses and the registration for such mark must be obtained afresh. Registered trademarks may be protected by means of an action for infringement. The owner of a registered trademark is *prima facie* regarded as the owner of the mark by virtue of the registration obtained.

Environmental Laws

The Government of Gujarat constituted the Gujarat Pollution Control Board (***'GPCB'***) under the provisions of the Water (Prevention and Control of Pollution) Act, 1974, with a view to protect the

environment, prevent and control the pollution of air and water in the State of Gujarat. The GPCB is responsible for monitoring and providing consents to industrial undertakings in Gujarat under the following environmental laws:

The Environment (Protection) Act, 1986

The Environment Protection Act, 1986 as amended from time to time (**'EPA'**) encompasses various environment protection laws in India. The EPA grants the Government of India the power to take any measures it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling pollution. Penalties for violation of the EPA include imprisonment, payment of a fine, or both. Under the EPA and the Environment (Protection) Rules, 1986, a prior approval of the Ministry of Environment and Forests or the State Environment Impact Assessment Authority (**'SEIAA'**) is required, as the case may be, for the establishment of any new project and for expansion or modernization of existing projects. Obtaining of prior environment clearance includes four stages: screening, scoping, public consultation and appraisal.

An application for environment clearance is made after the prospective project or activity site has been identified, but prior to commencing construction activity or other land preparation. Certain projects which require approval from the SEIAA may not require an EIA report. For projects that require preparation of an EIA report, public consultation involving public hearing and written responses is conducted by the State Pollution Control Board, prior to submission of a final EIA report. The environmental clearance (for commencement of the project) is valid for up to five years for all projects (other than mining projects), which may be further extended by the concerned regulator for up to five years.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 as amended from time to time (**'Water Act'**) aims to prevent and control water pollution and to maintain or restore water purity. The Water Act provides for the formation of one central pollution control board, as well as various state pollution control boards to implement its provisions. Under the Water Act, any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the prior consent of the relevant state pollution control board.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 as amended from time to time (**'Air Act'**), aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant that emits air pollutants in an air pollution control area. The central pollution control board and state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an "air pollution control area" before the restrictions under the Air Act applies.

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 as amended from time to time (**'Hazardous Wastes Rules'**) aims to regulate the proper collection,

reception, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the state pollution control board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste.

Tax Laws

Central Excise Act, 1944

Excise duty is levied on production of goods but the liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production. The basic rate of excise duty is 12%. There is at present an education cess, which is 3% of the excise duty; therefore, the effective excise duty comes out as 12.3%.

Central Sales Tax Act, 1956

Central sales tax is levied on interstate sale of goods. The Central Sales Tax Act, 1956, as amended from time to time (***'Central Sales Tax Act'***) formulates principles for determining (a) when a sale or purchase takes place in the course of inter-state trade or commerce; (b) when a sale or purchase takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. The Central Sales Tax Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-State trade or commerce and specifies the restrictions and conditions to which state laws imposing taxes on sale or purchase of such goods of special importance are subject to. Sale is considered inter-state when the sale occasions movement of goods from one state to another or is effected by transfer of documents during their movement from one state to another. The liability to pay tax is on the dealer who sells the goods.

Law on Value Added Tax

Value Added Tax (***'VAT'***) is a tax on the final consumption of goods or services. It is a multi-stage tax with the provision to allow input tax credit on tax at an earlier stage, which can be appropriated against the VAT liability on subsequent sale. This input tax credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. The VAT liability of the dealer/manufacturer is calculated by deducting input tax credit from tax collected on sales during the payment period.

VAT is covered under entry 54 of the State List. Each state government has enacted its respective VAT act for levying and collecting VAT in their respective states. *Gujarat Value Added Tax Act, 2003* is applicable to the establishments of the Company.

Customs Act, 1962

The Customs Act, 1962, as amended from time to time (***'Customs Act'***) regulates import of goods into and export of goods from India. Further, the Customs Act regulates the levy and collection of customs duty on goods in accordance with the Customs Tariff Act, 1975. Under the Customs Act, the

Central Board of Customs and Excise (**CBEC**) is empowered to appoint, by notification, ports or airports as customs ports or airports.

Customs duty is payable as a percentage of value which is known as assessable value or customs value. The value may be either value or tariff value as defined in the Customs Act. According to the Customs Act, the value of the imported goods and export goods shall be the transaction value of such goods i.e. the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of import or export from India for delivery at the time and place of export where the buyer and seller of the goods are not related and price is the sole consideration for the sale.

The Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings and Employments Act, 1976

The Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings And Employments Act, 1976 as amended from time to time (**'Professional Tax Act'**) provides the professional tax slabs in India and is applicable to persons who are either involved in any profession or trade. The professional tax payable under the Professional Tax Act by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person. Every employer must obtain the registration under the Professional Tax Act from the assessing authority in the prescribed manner.

Miscellaneous Laws

Bureau of Indian Standards Act, 1986

Bureau of Indian Standards Act, 1986, as amended from time to time (**'BIS Act'**) provides for the establishment of bureau for the standardisation, marking and quality certification of goods. The BIS Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (**'MSMED Act'**) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;

- b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- c. where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The manufacturing of laminates is covered under the entry 36 of the first schedule of the Industries (Development and Regulation) Act, 1951.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (**'Council'**). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

Foreign Direct Investment

Under paragraph 6.2.5 of the current consolidated FDI Policy, effective from 17 April 2014, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, including any modifications thereto or substitutions thereof, issued from time to time, (the **'Consolidated FDI Policy'**), foreign direct investment in micro and small enterprises will be subject to sectoral caps, entry routes and other sectorial regulations. At present 100% foreign direct investment through automatic route is permitted in the laminate manufacturing sector.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Ambition Mica Private Limited” in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company vide fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Assistant Registrar of Companies, Ahmedabad, Gujarat. Our corporate identification number is U25202GJ2010PLC059931.

Sureshbhai Patel, Ashwinbhai Patel, Govindbhai Patel, Veljibhai Patel and Prahladbhai Patel are the initial subscribers to the Memorandum of Association of our Company. Veljibhai Patel and Govindbhai Patel are the Promoters of the Company.

For information on our Company’s profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections “Our Management”, “Our Business” and “Our Industry” beginning on pages 148, 120 and 107 respectively.

CHANGE OF REGISTERED OFFICE

At the time of incorporation, our Registered Office was situated at C/O. M/S Laxmi Eng Co., 3, Janta Estate, Opp. Bhagat Petrol Pump, Krishnanagar Naroda Road, Ahmedabad - 382346, Gujarat, India. Subsequently, our Registered Office was shifted to Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330 with effect from September 02, 2013 for administrative convenience.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

| Period | Event |
|----------------|---|
| March 2010 | Incorporation of the Company |
| January 2012 | Bureau of Indian Standard granted ISI certificate to our Company |
| April 2012 | Commencement of Commercial production of high pressure laminates |
| September 2012 | Installation of new machinery to double then existing installed capacity |
| November 2013 | Launch of door skin world mobile application in google play store and apple store |
| April 2014 | Installation of new machinery to increase existing installed capacity |
| March 25, 2015 | Conversion from Private Company in to Pubic Company |

OUR MAIN OBJECTS

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

To carry on the business as manufacturers, dealers, traders, exporters, importers, agents, factors, brokers, wholesalers, retailers of all kinds, types, sizes of laminated skin, laminated sheets including laminated door skin, mica for industrial, commercial and domestic purpose/ uses.



AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

| Date of Shareholder's Approval | Amendment |
|--------------------------------|--|
| April 01, 2010 | The initial authorised share capital of Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs. 10/- each was increased to Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each |
| May 13, 2010 | The authorised share capital of Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each was increased to Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10/- each |
| July 05, 2010 | The authorised share capital of Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each |
| June 14, 2012 | The authorised share capital of Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs. 10/- each |
| July 25, 2013 | The authorised share capital of Rs. 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,90,00,000 consisting of 29,00,000 Equity Shares of Rs. 10/- each |
| March 17, 2015 | The authorised share capital of Rs. 2,90,00,000 consisting of 29,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 4,25,00,000 consisting of 42,50,000 Equity Shares of Rs. 10/- each |

HOLDING COMPANY OF OUR COMPANY

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

SUBSIDIARY COMPANY OF OUR COMPANY

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

PROMOTERS OF OUR COMPANY

The promoters of our Company are Veljibhai Patel and Govindbhai Patel. For details, see "Our Promoter and Promoter Group" beginning on page 163 of this Prospectus

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled "Capital Structure" beginning on pages 72 of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

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

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

DETAILS OF PAST PERFORMANCE

Our Company was incorporated in March 2010. For details in relation to our financial performance since inception, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 175 of this Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

Presently, our Company has taken no debt. And there have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Our Company was incorporated in March 2010. Since incorporation, we have not changed the activities of our Company.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

NUMBER OF SHAREHOLDERS

Our Company has 8 shareholders as on date of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus:

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---------|--|---|---|
| 1. | Name: Govindbhai Patel Age: 36 years Father's Name: Veljibhai Patel Designation: Managing Director Address: 55/2, Mohan Nagar Society, Nr. Navyug School, Naroda, Ahmedabad - 382330 Occupation: Business Nationality: Indian Term: Appointed for a period of 3 years from March 26, 2015 Liable to retire by rotation DIN: 02927165 | Initial Appointment: March 19, 2010 Appointment as Managing Director: March 26, 2015 | Public Limited Company NIL Private Limited Company 1. Velsons Laminate Private Limited 2. Velsons Resin Private Limited |
| 2. | Name: Rameshbhai Patel Age: 33 years Father's Name: Veljibhai Patel Designation: Whole- time Director Address: 14/2, Mohannagar CHS Ltd. Part-2, Nr. Navyug School, Naroda, Ahmedabad, 382330, Occupation: Business Nationality: Indian Term: Appointed for a period of 3 years from March 26, 2015 Liable to retire by rotation DIN: 06393942 | Initial Appointment: May 01, 2013 Appoint as Whole-time Director: March 26, 2015 | Public Limited Company NIL Private Limited Company 1. Velsons Laminate Private Limited 2. Velsons Resin Private Limited |
| 3. | Name: Monghiben Patel Age: 58 years Father's Name: Karshan Patel Designation: Non Executive Director Address: 54/2, Mohannagar Society- 2, Nr. Navyug School, Naroda, Ahmedabad – 382345 | Date of Appointment: March 27, 2015 | Public Limited Company NIL Private Limited Company Nil |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---------|--|--|--|
| | Occupation: Business Nationality: Indian Term: Liable to retire by rotation DIN: 07125342 | | |
| 4. | Name: Paresh Patel Age: 36 years Father's Name: Babubhai Patel Designation: Independent Director Address: D/202 Parth Avenue , Opp. Pushpakunj Bungalows, Naroda Ahmedabad - 382325 Occupation: Business Nationality: Indian Term: Term of 5 years upto March 26,2020 DIN: 07128422 | Date of Appointment: March 27, 2015 | Public Limited Company Nil Private Limited Company Nil |
| 5. | Name: Abhishek Patel Age: 23 years Father's Name: Harjibhai Patel Designation: Independent Director Address: 9, Divyakiran Soc. – 1, Opp. Baliyakak Society Naroda Ahmedabad 382330 Occupation: Business Nationality: Indian Term: Term of 5 years upto March 26, 2020 DIN: 06581734 | Date of Appointment: March 27, 2015 | Public Limited Company Nil Private Limited Company Setu Business Analysts Private Limited |
| 6. | Name: Vinod Patel Age: 30 years Father's Name: Bhagwandas Patel Designation: Independent Director Address: A/8, Sarthi Bunglows, Nr Uma Shikshan Tirth School, Naroda, Ahmedabad, 382325 Occupation: Business Nationality: Indian Term: Term of 5 years upto March 26, 2020 DIN: 07136584 | Date of Appointment: March 27, 2015 | Public Limited Company Nil Private Limited Company Nil |

BRIEF BIOGRAPHIES OF OUR DIRECTORS

- **Govindbhai Patel, Managing Director**

Govindbhai Patel, aged approximately 36 years is the Managing Director of our Company with effect from March 26, 2015. He has been Director of our Company since incorporation. He has more than 10 years of experience in the plywood and laminate industry. He looks after overall operations of our Company.

- **Rameshbhai, Whole-time Director**

Rameshbhai Patel, aged approximately 33 years is the Whole-time Director of our Company with effect from March 26, 2015. He has been Director of our Company since May 01, 2013. He has completed Bachelor of Engineering (Chemical) from Sadar Patel University. He has more than 10 years of experience in the field of plywood and laminate industry. He looks after production and product development of our Company.

- **Monghiben Patel, Non Executive Director**

Monghiben Patel aged approximately 58 years, is a Non Executive Director of our Company. She was appointed as Non Executive Director of our Company on March 27, 2015. She is a mentor and guiding figure to the management and staff of our Company. As such no remuneration / sitting fees was paid to her for the financial year 2013 – 2014, as she was appointed on our Board in the financial year 2014 – 2015

- **Paresh Patel, Independent Director**

Paresh Patel, aged approximately 36 years, is an Independent Director of our Company. He has completed Bachelor of Commerce from Gujarat University. He has more than 9 years of experience in the field of trading of plywood and laminate industry. He was appointed as an Independent Director of our Company on March 27, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Abhishek Patel, Independent Director**

Abhishek Patel, aged approximately 23 years, is an Independent Director of our Company. He is a Chartered Account by profession and has been in practice since September 2012. He was appointed as an Independent Director of our Company on March 27, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Vinod Patel, Independent Director**

Vinod Patel, aged approximately 30 years, is an Independent Director of our Company. He has completed Bachelor of Commerce from Gujarat University. He has an aggregate experience of over 3 years in the field of Secretarial (Legal) and Insurance work. He was appointed as an Independent Director of our Company on March 27, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015

CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from Govindbhai Patel and Rameshbhai Patel who are related as brother, and Monghiben Patel is related to Govindbhai Patel and Rameshbhai Patel as mother and son; are termed as — relatives within the meaning of Section 2 (77) of the Companies Act, 2013; 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) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
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.

REMUNERATION/COMPENSATION OF DIRECTORS

During the last financial year ended on March 31, 2014, the directors have been paid gross remuneration as follows

| Name of Director | Remuneration received in year 2013-14 (in Rs.) |
|------------------|--|
| Govindbhai Patel | 10,00,000 |
| Rameshbhai Patel | 10,00,000 |

None of the existing Directors except above have received any remuneration during the Financial Year 2013-14.

Govindbhai Patel

Govindbhai Patel is appointed as Managing Director of the Company *vide* shareholders resolution in Extra—ordinary General Meeting dated March 27, 2015 at a remuneration upto Rs 60,00,000/- (Rs. Sixty Lacs) per annum for a period of 3 years commencing from March 26, 2015 to March 25, 2018.

In any financial year if the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government

The Board of Directors of the Company or any committee thereof are authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Govindbhai Patel, Managing Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 60,00,000/- (Rupees Sixty Lacs) per annum.”

Rameshbhai Patel

Rameshbhai Patel is appointed as Whole- time Director of the Company *vide* shareholders resolution in Extra—Ordinary General Meeting dated March 27, 2015 at a remuneration upto Rs 60,00,000/-



(Rs. Sixty Lacs) per annum for a period of 3 years commencing from March 26, 2015 to March 25, 2018.

In any financial year if the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government

The Board of Directors of the Company or any committee thereof are authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Rameshbhai Patel, Whole-time Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 60,00,000/- (Rupees Sixty Lacs) per annum.”

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 Prospectus:

| Sr. No. | Name of the Director | No. of Equity Shares | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|----------------------|----------------------|-------------------------------------|--------------------------------------|
| 1. | Govindbhai Patel | 7,14,500 | 24.64 % | 17.98 % |
| 2. | Rameshbhai Patel | 6,62,490 | 22.84 % | 16.67 % |
| 3. | Monghiben Patel | 91,500 | 3.16 % | 2.30 % |
| 4. | Paresh Patel | -- | -- | -- |
| 5. | Abhishek Patel | -- | -- | -- |
| 6. | Vinod Patel | -- | -- | -- |

INTERESTS OF DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see “- Remuneration/Compensation of Directors” above. Further, our non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act and as decided by our Board subject to Articles of Association. Our Managing Director – Govindbhai Patel is interested to the extent of being Promoter of our Company. For more information, see “Our Promoters and Promoter Group” on page 163 of the Prospectus.

Further, except for as disclosed under shareholding of our Directors in our Company above none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. 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.

Our Company has also executed Rent/Lease agreement with our Non Executive Director Monghiben Patel, for use of land owned by her for manufacturing plant located at Village - Zak, District - Gandhinagar. For details see “Financial Statements – Annexure VI - Statement of Related Parties Transactions, as Restated” on page 204 and paragraph titled ‘Land and Property’ in chapter titled ‘Our Business’ beginning on page 120 of this Prospectus.

Except as stated in the chapters “Our Management” and “Related Party Transactions” beginning on pages 148 and 173 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

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.

Some of our Directors may be interested to the extent of any loans provided to the Company and interest payable on the same.

PROPERTY INTEREST

Except as stated/referred to in the heading titled “*Land and Property*” beginning on page 130 and chapter titled ‘Related Party Transaction’ on page 173 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation 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. Further our Directors do not have any interest in any immovable property to be acquired by the Company.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 175 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have a subsidiary or associate Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus.

| Name | Date of event | Nature of event | Reason |
|------------------|----------------|-----------------------|---------------------------------------|
| Govindbhai Patel | March 19, 2010 | Appointment | Appointment as Director |
| | March 26, 2015 | Change in designation | Appointment as Managing Director |
| Veljibhai Patel | March 19, 2010 | Appointment | Appointment as Director |
| | March 28, 2015 | Resignation | Resignation as Director |
| Prahadbhai Patel | March 19, 2010 | Appointment | Appointment |
| | March 28, 2015 | Resignation | Resignation as Director |
| Ashwinbhai Patel | March 19, 2013 | Resignation | Resignation as Director |
| Sureshbhai Patel | March 19, 2013 | Resignation | Resignation as Director |
| Rameshbhai Patel | May 01, 2013 | Appointment | Appointment as Director |
| | March 26, 2015 | Change in Designation | Appointment as Whole-time Director |
| Monghiben Patel | March 27, 2015 | Appointment | Appointment as Non Executive Director |
| Abhishek Patel | March 27, 2015 | Appointment | Appointment of Independent Director |

| Name | Date of event | Nature of event | Reason |
|--------------|----------------|-----------------|-------------------------------------|
| Paresh Patel | March 27, 2015 | Appointment | Appointment of Independent Director |
| Vinod Patel | March 27, 2015 | Appointment | Appointment of Independent Director |

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on July 24, 2014, pursuant to provisions of Section 180(1)(c) or any amendment or modification thereof, if any, of the Companies Act 2013 and other applicable proviso, if any, of the Companies Act, 2013, the consent of the company be and is hereby accorded to the Board of Directors of the company for borrowing from time to time as may be required for the purposes of business of the company, in excess of the aggregate of the paid -up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, subject to the proviso that such borrowing shall not exceed Rs. 25,00,00,000/- (Rupees Twenty Five Crore) over and above the aggregate of the paid-up capital of the Company and its free reserves and shall exclude all temporary loan obtained by the Company from its Bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company, whether the same may be secured or unsecured and if secured, whether by way of mortgage, Charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties, notwithstanding that the money to be borrowed together with the money already borrowed by the company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining undischarged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the BSE, 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 stakeholder's relationship 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 SME Listing Agreement to be executed with the BSE 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.

Currently our Board has six directors out of which three are Independent Directors, two are Executive Directors and one Non Executive Director. 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. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Clause 52 of the SME Listing Agreement to be entered with SME Platform of BSE, vide resolution passed at the meeting of the Board of Directors held on March 28, 2015.

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

| Name of the Director | Status | Nature of Directorship |
|----------------------|----------|------------------------|
| Abhishek Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Vinod Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The

Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the audit report.
5. Reviewing, with the management, the half yearly 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, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus/ 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. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. 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.

14. Discussion with internal auditors any significant findings and follow up there on.
15. 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.
16. 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.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. 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.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 28, 2015.

The **Stakeholder's Relationship Committee** comprises the following Directors:

| Name of the Director | Status | Nature of Directorship |
|----------------------|----------|------------------------|
| Vinod Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Abhishek Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder's/investor's complaints;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

Quorum for Stakeholders Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on March 28, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| Name of Director | Designation in Committee | Nature of Directorship |
|------------------|--------------------------|------------------------|
| Vinod Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Abhishek Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Compensation Committee are:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;

- e. Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
- f. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks

Quorum for Nomination and Remuneration Committee

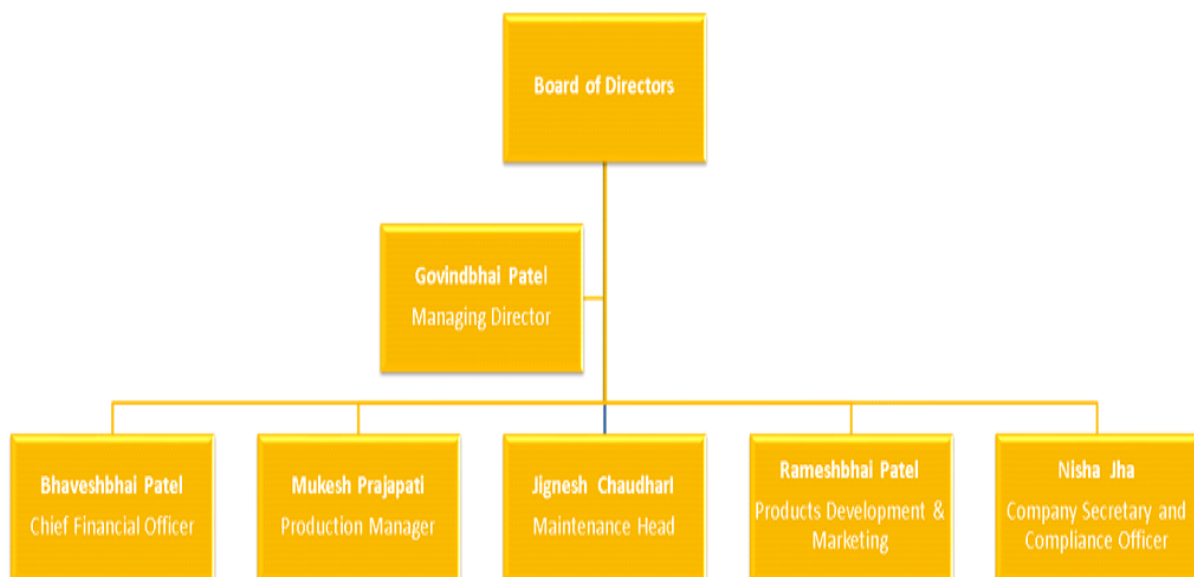
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

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 as amended, post listing of our Company's shares on the Stock Exchange.

Nisha Jha, Company Secretary & 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

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

The details of our Key Managerial Personnel are set out below:

- **Govindbhai Patel, Managing Director**

Govindbhai Patel, aged approximately 36 years is the Managing Director of our Company. He has been appointed as Managing Director with effect from March 26, 2015. He has been

Director of our Company since incorporation. He has more than 10 years of experience in the plywood and laminate industry. He looks after overall operations of our Company. He has been paid remuneration of Rs 10,00,000 for the financial year 2013-2014 including all benefits and perquisites

- **Rameshbhai, Whole- time Director**

Rameshbhai Patel, aged approximately 33 years is the Whole-time Director of our Company. He has been appointed as Whole-time Director with effect from March 26, 2015. He has been Director of our Company since May 01, 2013. He has completed Bachelor of Engineering (Chemical) from Sadar Patel University. He has more than 10 years of experience in the field of plywood and laminate industry. He looks after marketing and product development of our Company. He has been paid remuneration of Rs 10,00,000 for the financial year 2013-2014 including all benefits and perquisites.

- **Mr Bhaveshbhai Patel, Chief Financial Officer**

Mr Bhaveshbhai Patel aged approximately 31, is the Chief Financial Officer of our Company with effect from March 26, 2015 however initially was appointed as Accounts manager on April 1, 2011 He holds a Bachelors' Degree in Commerce from Hemchandra North Gujarat University. He has more than 7 years in accounting and finance function. Prior joining to our company he was associated with Promens India Private Limited as account manager. He has been paid remuneration of Rs 1,91,760 for the financial year 2013-2014 including all benefits and perquisites

- **Nisha Jha, Company Secretary & Compliance Officer**

Nisha Jha aged approximately 30, is the Company Secretary and Compliance Officer of our Company. He is a qualified company secretary and is an associate member of Institute of Company Secretary of India. She is entrusted with the responsibility of handling corporate secretarial functions of our Company. Since she has joined our Company on March 26, 2015, no remuneration has been paid to him for the financial year 2013 – 2014.

- **Jignesh Choudhari, Maintenance Head**

Jignesh Chowdhari aged approximately 30 years, is the Maintenance Head of our Company. He holds a Diploma in Mechanical Engineering from Technical Examinations Board, Gujarat State, Gandhinagar. He has more than 7 years experience in maintenance of machinery. He joined our company on March 01, 2013 and prior joining to our company he was associated with Rushil Décor Limited as maintenance head of machinery. He has been paid remuneration of Rs 78,000 for the financial year 2013-2014 including all benefits and perquisites

- **Mukesh Prajapati, Production Manager**

Mukesh Prajapati aged approximately 37 is the Production manager of our Company. He holds B.Sc from North Gujarat University. He has more than 8 years experience in plywood and Laminate industry. He joined our company on March 01, 2013 and prior joining to our company he was associated with Rushil Décor Limited and was working in Lab Chemist Laboratory / Quality Control Department. He has been paid remuneration of Rs 66,000 for the financial year 2013-2014 including all benefits and perquisites.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Mr Govindbhai Patel and Rameshbhai Patel who are related as brothers. None of the key managerial personnel are —related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

- Govindbhai Patel is related with Veljibhai Patel as son and father, with Monghiben Patel as son and mother and with Rameshbhai Patel as brother.
- Rameshbhai Patel is related with Veljibhai Patel as son and father, with Monghiben Patel as son and mother and Govindbhai Patel as brother.

Except as disclosed herein, none of the key managerial personnel are “related” to the Promoter or Director of our Company within the meaning of Section 2 (77) of the Companies Act, 2013.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

| Sr. No. | Name of Shareholder | No. of Shares held |
|---------|---------------------|--------------------|
| 1. | Govindbhai Patel | 7,14,500 |
| 2. | Rameshbhai Patel | 6,62,490 |

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

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

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

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

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company except Govindbhai Patel and Rameshbhai Patel 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. Govindbhai Patel and Rameshbhai Patel are also interested to the extent of their shareholding in Company and any loans provided by them to the Company.



Except as disclosed in this 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 IN THE LAST THREE 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 |
|------------------------------|--|----------------|------------------------------------|
| Bhaveshbhai Patel | Chief Financial Officer | March 26, 2015 | Promotion |
| Govindbhai Patel | Managing Director | March 26, 2015 | Appointment as Managing Director |
| Rameshbhai Patel | Whole-time Director | March 26, 2015 | Appointment as Whole-time Director |
| Nisha Jha | Company Secretary and Compliance Officer | March 26, 2015 | Appointment |
| Jignesh Chowdary | Maintenance Head | March 01, 2013 | Appointment |
| Mukesh Prajapati | Production Manager | March 01, 2013 | Appointment |

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 (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements*” beginning on page 175 of this Prospectus, no amount or benefit has been paid or given within the three 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 PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

Our Company has been promoted by Veljibhai Patel and Govindbhai Patel

Brief profile of our individual Promoters is as under:

| | |
|---|--|
|  | <p>Veljibhai Patel, Promoter</p> <p>Veljibhai Patel, aged 60 years, is the Promoter of our Company. He has been acting as Director in our Company since incorporation and resigned with effect from March 28, 2015. He has more than 20 years of experience in the plywood and laminate industry.</p> <p>Passport No: G6880127 Driving License: GJ01 20060202925 Voters ID: WOF2085702</p> <p>Address: 54/2 Mohanagar Society - 2, Nr. Navyug School, Naroda Ahmedabad - 382345</p> |
|  | <p>Govindbhai Patel, Promoter & Managing Director</p> <p>Govindbhai Patel, aged approximately 36 years is the Managing Director of our Company with effect from March 26, 2015. He has been Director of our Company since incorporation. He has more than 10 years of experience in the plywood and laminate industry. He looks after overall operations of our Company.</p> <p>Passport No: G4952959 Driving License: N/A Voters ID: MCS2976355</p> <p>Address: 55/2, Mohan Nagar Society, Nr. Navyug School, Naroda, Ahmedabad - 382330.</p> <p>For further details relating to Govindbhai Patel, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled <i>"Our Management"</i> beginning on page 148 of this Prospectus.</p> |



DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus with it.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

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

INTEREST OF PROMOTERS

Interest in promotion of our Company

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled *"Related Party Transactions"* beginning on page 173 of this Prospectus. In addition, our Promoters and Directors, Govindbhai Patel is deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable in terms of the agreements/resolutions entered into by, with our Company and under our Articles of Association.

Interest in the property of our Company

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

Interest as member of our Company

As on date of this Prospectus, our Promoters together holds 13,39,400 Equity Shares in our Company i.e. 46.19 % of the pre Issue paid up Equity Share capital of our Company. Therefore, our Promoters are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

Interest as a creditor of our Company

As on the date of this Prospectus, our Company has not availed any loans from the Promoters of our Company. For further details, refer to chapter titled *"Related Party Transactions"* beginning on page 173 of this Prospectus.

Interest as Director of our Company

Govindbhai Patel as given in the chapters titled *"Our Management"*, *"Financial Statements"* and *"Capital Structure"* beginning on pages 148, 175 and 72 of this Prospectus our Promoter / Director, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land.

Except as stated/referred to in the heading titled “Land and Property” beginning on page 130 of the Prospectus, our Promoter’s have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation 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.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled ‘Our Group Entities’ beginning on page 168 of this Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

OUR PROMOTER GROUP

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

A. Individuals related to our Promoter:

| Relationship with Promoters | Veljibhai Patel | Govindbhai Patel |
|-----------------------------|---|--------------------------------------|
| Father | Khetshibhai Patel | Veljibhai Patel |
| Mother | Jethiben Patel | Monghiben Patel |
| Brother | Pravinbhai Patel | Rameshbhai Patel & Prahladbhai Patel |
| Sister | Shakuntalaben Patel | Kavita Patel |
| Spouse | Monghiben Patel | Paresha Patel |
| Son | Rameshbhai Patel, Prahaladbhai Patel & Govindbhai Patel | Kishan Patel & Vedant Patel |
| Daughter | Kavita Patel | -- |
| Spouse’s Father | Karsanbhai Patel | Vitthalbhai Patel |
| Spouse’s Mother | Laxmiben Patel | Chandrikaben Patel |
| Spouse’s Brother | Somjibhai Patel | Jayeshbhai Patel |
| Spouse’s Sister | Kesarben Patel | Hiral Patel |

B. In the case of Veljibhai Patel, our Individual Promoter:

| Nature of Relationship | Entity |
|---|---|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | Velsons Laminate Private Limited Velsons Resin Private Limited |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital | NIL |



| Nature of Relationship | Entity |
|--|---|
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% | Anand Timber Mart Vinus Ply Industries |

C. In the case of Govindbhai Patel, our Individual Promoter:

| Nature of Relationship | Entity |
|---|--|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | Velsons Laminate Private Limited Velsons Resin Private Limited |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital | NIL |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% | Anand Timber Mart Mother Ply Industries Vinus Ply Industries |

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

- Veljibhai Patel is related with Monghiben Patel as husband and wife, with Govindbhai Patel as father & son, with Rameshbhai Patel as father and son and
- Govindbhai Patel is related with Monghiben Patel as son and mother and with Rameshbhai Patel as brother.

Except as disclosed herein, none of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Other persons included in promoter group

Rekhaben Ramesh Patel and Kinjalben Patel are not relatives within the meaning of regulation 2(1)(zb) of ICDR Regulations but are considered for the purposes of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations.

CHANGES IN OUR PROMOTERS

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled "*Outstanding Litigation and Material Developments*" beginning on page 231 of this Prospectus. Our Promoters have not been declared a wilful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.



Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and none of them made any public or rights issue of securities in the preceding three years.

A. Our Group Entity

The details of our Group Entities are provided below:

1. Anand Timber Mart

Anand Timber Mart is a partnership firm formed under the Indian Partnership Act, 1932 between Veljibhai Patel, Rameshbhai Patel, Niravbhai Patel and Mehulbhai Patel as partners. It is governed by a Partnership Deed dated April 1, 2012 as amended from time to time. Anand Timber Mart has its office located at, Opp. Saijpur Tower B/h Karnavati Hospital, Saipur, Ahmedabad – 382345. It is currently engaged in trading of Laminates sheets, plywood, MDF Boards and particles

As on the date of the Prospectus, M/s. Anand Timber Mart has four partners, Veljibhai Patel, Govindbhai Patel, Rameshbhai Patel and Prahladbhai Patel.

Profit and Loss Sharing Ratio

The profit and loss sharing ratio of the partners in the firm is as follows:

| Name of the Partner | Profit and sharing ratio (%) |
|---------------------|------------------------------|
| Veljibhai Patel | 25% |
| Govindbhai Patel | 25% |
| Rameshbhai Patel | 25% |
| Prahladbhai Patel | 25% |
| Total | 100% |

Financial Performance

| Particulars | Amt in lakhs | |
|------------------------|---------------------|------------|
| | For the years ended | |
| | March 2014 | March 2013 |
| Partner's capital | 132.82 | 185.09 |
| Sales and other income | 1,656.77 | 1,305.20 |
| Profit/loss after tax | 11.79 | 22.73 |

2. Vinus Ply industries

Vinus Ply Industries is a partnership firm formed under the Indian Partnership Act, 1932 between Veljibhai Patel, Rameshbhai Patel, Govindbhai Patel and Prahladbhai Patel as partners. It is governed by Partnership Deed dated April 25, 2001. Vinus Ply Industries has its office located at M/s Venus Ply Industries at Village - Zak, Taluka - Dehgam, District - Gandhinagar - 382010. Venus Ply Industries was engaged in manufacturing of plywood. However it has sold its assets and business and is not currently conducting any business

As on the date of the Prospectus, M/s. Vinus Ply Industries has four partners, Veljibhai Patel, Govindbhai Patel, Rameshbhai Patel and Prahladbhai Patel.

Profit and Loss Sharing Ratio

The profit and loss sharing ratio of the partners in the firm is as follows:

| Name of the Partner | Profit and sharing ratio (%) |
|---------------------|------------------------------|
| Veljibhai Patel | 25% |
| Govindbhai Patel | 25% |
| Rameshbhai Patel | 25% |
| Prahladbhai Patel | 25% |
| Total | 100% |

Financial Performance

Amt in lakhs

| Particulars | For the years ended | | |
|------------------------|---------------------|------------|------------|
| | March 2014 | March 2013 | March 2012 |
| Partner's capital | 67.71 | 71.62 | 13.80 |
| Sales and other income | | 6619.70 | 537.69 |
| Profit/loss after tax | 82.05 | 282.41 | 9.45 |

3. Velsons Resins Private Limited

Corporate Information

Velsons Resins Private Limited is private limited company incorporated on October 28, 2013 under the provisions of Companies Act, 1956. It is in the process of setting up facility manufacturing of resin. Our Promoters Veljibhai Patel and Govindbhai Patel hold 25 % each respectively in the equity share capital of the company.

| Particulars | 2014 |
|---|----------|
| Paid up Equity Share Capital | 1,00,000 |
| Reserve (Excluding Revaluation Reserve) | 0 |
| Sales | Nil |
| Profit after Tax | Nil |
| Earnings Per Share (Basic) | Nil |
| Earnings Per share (Diluted) | Nil |
| Net Asset Value (Rs. In Lakhs) | 1 |

*Company is yet to commence its business operation

Significant Notes :- There are no qualifications provided by auditor

4. Velsons Laminate Private Limited

Corporate Information

Velsons Laminate Private Limited is private limited company incorporated on September 18, 2013 under the provisions of Companies Act, 1956. It is in the process of setting up facility for manufacturing of decorative laminates. Our Promoters Veljibhai Patel and Govindbhai Patel hold 25 % each in the equity share capital of the company.

| Particulars | For the year ended 2014 |
|---|-------------------------|
| Paid up Equity Share Capital | 1,00,000 |
| Reserve (Excluding Revaluation Reserve) | 0 |
| *Sales | Nil |
| *Profit after Tax | Nil |
| *Earnings Per Share (Basic) | Nil |
| *Earnings Per share (Diluted) | Nil |
| Net Asset Value (Rs. In Lakhs) | 1 |

*Company has not commence its business operation

Significant Notes:- There are no qualifications provided by auditor

CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as wilful 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 Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last audited financial statements.

LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, '*Outstanding Litigations and Material Developments*' on page 231 of this Prospectus.

DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoter Govindbhai Patel has not disassociated himself from any of the companies, firms or other entities during the last three years preceding the date of the Prospectus except as mentioned below:

| Sr. No | Name of the Company | Reasons |
|--------|-----------------------------------|---|
| 1 | Mother Infracon Private Limited | Transfer of Shares and resignation as directors |
| 2 | Mother Formalines Private Limited | Transfer of Shares and resignation as directors |

Our Promoter Veljibhai Patel has not disassociated himself from any of the companies, firms or other entities during the last three years preceding the date of the Prospectus.

M/s Anand Timber Mart was initially started by Veljibhai Patel as his proprietorship concern in the year 1987 and subsequently Veljibhai Patel agreed with Rameshbhai Patel, Nirav Patel and Mehulbhai Patel and continued the business of M/s Anand Timber Mart as a partnership firm with effect from April 1, 2012.

NEGATIVE NET WORTH

Except Vinus Ply Industries none of our Group Entities have negative net worth as on the date of the Prospectus.

DEFUNCT / STRUCK-OFF COMPANY

Except Vinus Ply Industries which has sold off its entire business during financial year 2012-2013 and currently not carrying on any business

None of our Promoters or Promoter Group or Group Company has become defunct or strike – off in the five years preceding the filing of this Prospectus.

INTERESTS OF OUR PROMOTERS AND GROUP COMPANY AND ASSOCIATE COMPANY

All our Promoters and Group Companies and Associate Companies are interested to the extent of their shareholding of Equity Shares from time to time, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoters may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Prospectus, our Promoters together hold 13,39,400 Equity Shares of our Company.

Except as stated hereinabove and as stated in “Annexure VI- Related Party Transactions” under chapter titled “Financial Statements” beginning on page 204 of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled “Shareholding of our Directors” in the chapter titled “Our Management” beginning on page 148 of this Prospectus; in “Annexure VI- Related Party Transactions” under chapter titled “Financial Statements” beginning on page 204 of this Prospectus, and under the paragraph titled “Interest of Directors” in the chapter titled “Our Management” beginning on page 148; paragraph titled “Land and Property” in the chapter titled “Our Business” beginning on page 130, our Promoters do not have any other interests in our Company as on the date of this Prospectus.

Further, except as disclosed above and in the audited restated financial statements of our Company under “Annexure VI- Related Party Transactions” under chapter titled “Financial Statements” beginning on page 204 of this Prospectus, our Group Companies and associates have no business interest in our Company.

RELATED PARTY TRANSACTIONS

For details on our related party transactions please refer to the paragraph titled “Land and Property” in chapter titled “Our Business” beginning on page 120 of this Prospectus, paragraph titled “Interest of Directors” in the chapter titled “Our Management” beginning on page 148 of this



Prospectus and “Annexure VI - Related Party Transactions” in chapter titled “Financial Statements” beginning on page 204 of this Prospectus and paragraph titled “Interest of Promoters” under this chapter Prospectus.

COMMON PURSUITS

Our Promoter and Director viz., Veljibhai Patel, Govindbhai Patel and Rameshbhai Patel are also interested in our Group entities in Velsons Laminate Private Limited as Directors and Anand Timber Mart as partners which are involved in activities similar to those conducted by our Company. As these entities do not have any non-compete agreements in place amongst themselves, there is a conflict of interest between our Company and the said Group Entities. For associated risk factor, please refer to the section titled “Risk Factors” beginning on page 17 of the Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

Other than as disclosed in the chapter titled “Related Party Transactions” on page 173, there are no sales/purchases between the Company and the Group Companies, Subsidiary and associate companies when such sales or purchases exceed in value in the aggregate 10 per cent of the total sales or purchases of the Company.

PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in chapter titled “Related Party Transactions” beginning on page 173, there has been no payment of benefits to our Group Entities in financial years 2014 and 2013, nor is any benefit proposed to be paid to them as on the date of this Prospectus

RELATED PARTY TRANSACTION

For details on Related Party Transactions of our Company, please refer to Annexure VI of restated financial statement under the section titled, '*Financial Statements*' beginning on page 204 of this Prospectus



DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 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 for the last three 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 STATEMENTS
FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of Ambition Mica Limited

The Board of Directors
Ambition Mica Limited

Shop No. 10, Ground Floor,
Raghav Residency,
Opp. Naroda GEB,
Dehgam Road, Naroda,
Ahmedabad- 382330,
Gujarat, India

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Ambition Mica Limited, **(the Company)** as at 31st January, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended 31st January, 2015 and financial year ended on March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (collectively the **"Restated Summary Statements"** or **"Restated Financial Statements"**). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited (**"BSE"**).
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (**"Act"**);
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**"ICDR Regulations"**) issued by the Securities and Exchange Board of India (**"SEBI"**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company letter Dated March 13, 2015 requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited(**"IPO"** or **"SME IPO"**); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (**"Guidance Note"**).
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on 31st January, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 which have been approved by the Board of Directors.

4. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Restated Statement of Asset and Liabilities**” as set out in **Annexure I** to this report, of the Company as at 31st January, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the Period Ended/financial year ended on 30th September, 2014, March 31, 2014, March 31, 2013, and March 31, 2012 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the Period Ended/financial year ended on January 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
 - a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
 - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2014, March 31, 2013, and March 31, 2012 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year/period ended, January 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 was conducted by M/s Hitesh Gohel & Co., Chartered Accountants accordingly reliance has been placed on the financial information examined by

them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the Period /financial year ended 31 January, 2015 and 31 March 2014 have been reaudited by us as per the relevant guidelines.

7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the Period ended/financial year ended on 31st January, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 proposed to be included in the Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

1. Summary Statement of Assets and Liabilities, as restated as Annexure I;
2. Summary Statement of Profit and Loss, as restated as Annexure II;
3. Summary Statement of Cash Flow as Annexure III;
4. Significant Accounting Policies in Note No. 1;
5. Details of Share Capital as Restated enclosed in Note No. 2 to this report;
6. Details of Reserves & Surplus as Restated as appearing in Note No. 3 of this report
7. Details of Long Term Borrowings as Restated as appearing in Note No. 4 of this report;
8. Details of Long Term Provisions as Restated as appearing in Note No. 5 of this report;
9. Details of Other Long Term Liabilities as Restated as appearing in Note No. 6 of this report;
10. Details of Short Term Borrowings as Restated as appearing in Note No. 7 of this report;
11. Details of Trade Payables as Restated as appearing in Note No. 8 of this report;
12. Details of Other Current Liabilities as Restated as appearing in Note No. 9 of this report;
13. Details of Short Term Provisions as Restated as appearing in Note No. 10 of this report
14. Details of Fixed Assets as Restated as appearing in Note No. 11 of this report
15. Details of Non-Current Investments as Restated as appearing in Note No. 12 of this report;
16. Details of Long-Term Loans & Advances as Restated as appearing in Note No. 13 of this report
17. Details of Other Non Current Assets as Restated as appearing in Note No. 14 of this report.
18. Details of Inventories as Restated as appearing in Note No. 15 of this report.
19. Details of Trade Receivables as Restated as appearing in Note No. 16 of this report.
20. Details of Cash & Cash Equivalents as Restated as appearing in Note No. 17 of this report.
21. Details of Short-Term Loans & Advances Restated as appearing in Note No. 18 of this report.
22. Details of Other Current Assets as Restated as appearing in Note No. 19 of this report.
23. Details of Revenue from operations as restated as appearing in Note. No. 20 of this report
24. Details of Other income as restated as appearing in Note. No. 21 of this report
25. Capitalization Statement as Restated as at January 31, 2015 as appearing in ANNEXURE IV to this report;



26. Statement of Tax Shelters as Restated as appearing in ANNEXURE V to this report;
 27. Details of Related Party Transaction as Restated as appearing in ANNEXURE VI to this report;
 28. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE VII to this report;
 29. Reconciliation of Restated Profit as appearing in ANNEXURE VIII to this report.
 30. Details of DTA/DTL as Restated as appearing in ANNEXURE IX to this report;
 31. Statement of EPS as Restated as appearing in ANNEXURE X to this report;
-
8. We, M/s. Mistry & Shah, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI ("**Peer Reviewed Auditor**").
 9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 12. In our opinion, the above financial information contained in Annexure I to XXI of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Note No 1 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For M/s. Mistry & Shah.
Chartered Accountants
Firm Registration no.122702W

Mr Ketan Mistry
Partner
Membership No.: 112112

Date: 04th April, 2015
Place: Ahmedabad

ANNEXURE – I - STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
Amt. in lakhs

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|-----------|---|-------|-----------------|-----------------|-----------------|-----------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| | EQUITY AND LIABILITIES | | | | | | |
| 1) | <u>Shareholders Funds</u> | | | | | | |
| | a. Share Capital | 2 | 199.50 | 199.50 | 225.00 | 290.00 | 290.00 |
| | b. Reserves & Surplus | 3 | (3.92) | 25.08 | 112.16 | 224.45 | 366.74 |
| 2) | <u>Share Application Money Pending Allotment</u> | | 0.50 | 0.50 | - | - | - |
| 3) | <u>Non Current Liabilities</u> | | | | | | |
| | a. Long Term Borrowings | 4 | 387.50 | 319.34 | 631.88 | 698.47 | 405.20 |
| | b. Deferred Tax Liabilities | | - | 50.69 | 84.72 | 107.47 | 121.62 |
| | c. Long Term Provisions | 5 | | 0.52 | 0.86 | 3.15 | 6.51 |
| | d . Other Long Term Liabilities | 6 | 99.92 | 133.78 | - | 1.54 | 1.60 |
| 4) | <u>Current Liabilities</u> | | | | | | |
| | a. Short Term Borrowings | 7 | 224.59 | 208.96 | 404.99 | 334.81 | 497.05 |
| | b. Trade Payables | 8 | 132.70 | 445.06 | 733.55 | 1,193.57 | 1,112.01 |
| | c. Other Current Liabilities | 9 | 73.06 | 96.20 | 133.56 | 215.84 | 221.47 |
| | d. Short Term Provisions | 10 | 1.54 | 38.38 | 3.02 | 3.02 | 40.63 |
| | TOTAL (1+2+3+4) | | 1,115.39 | 1,518.01 | 2329.74 | 3,072.32 | 3,062.83 |
| | ASSETS | | | | | | |
| 5) | <u>Non Current Assets</u> | | | | | | |
| | a. Fixed Assets | 11 | | | | | |
| | i. Tangible Assets | | 592.68 | 652.70 | 998.06 | 1,136.19 | 1,181.77 |
| | Less: Accumulated Depreciation | | - | 29.43 | 67.45 | 115.67 | 154.83 |
| | ii. Intangible Assets | | - | 0.34 | 0.25 | 0.17 | 0.10 |
| | iii. Intangible Assets under development | | - | - | - | - | - |
| | iv. Capital Work in Progress | | - | - | - | - | - |
| | Net Block | | 592.68 | 652.70 | 930.87 | 1,020.69 | 1,027.04 |
| | b. Deferred Tax Assets (Net) | | - | - | - | - | - |
| | c. Non-current Investments | 12 | 0.15 | 0.15 | 1.15 | 1.15 | 1.15 |
| | d. Long Term Loans & Advances | 13 | 0.97 | 6.77 | - | - | - |
| | e. Other Non Current Assets | 14 | 6.22 | 5.87 | 13.38 | 13.45 | 12.53 |
| 6) | <u>Current Assets</u> | | | | | | |
| | a. Inventories | 15 | 195.04 | 460.81 | 706.42 | 940.36 | 1,020.43 |
| | b. Trade Receivables | 16 | - | 339.30 | 561.95 | 886.93 | 932.58 |
| | c. Cash and Cash Equivalents | 17 | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |
| | d. Short Term Loans & Advances | 18 | 152.04 | 23.15 | 24.77 | 39.76 | 9.57 |
| | e. Other Current Assets | 19 | 0.92 | 16.77 | 41.87 | 70.92 | 57.68 |
| | TOTAL (5+6) | | 1,115.39 | 1,518.01 | 2,329.74 | 3,072.32 | 3,062.83 |

ANNEXURE II - STATEMENT OF PROFIT AND LOSS AS RESTATED
Amt. in lakhs

| Sr. No. | Particulars | Notes | 31st March | | | | As at January 31, 2015 |
|----------|--|-------|---------------|-----------------|-----------------|-----------------|------------------------|
| | | | 2011 | 2012 | 2013 | 2014 | |
| A | INCOME | | | | | | |
| | Revenue from Operations | 20 | - | 1,370.79 | 2,047.10 | 3,554.84 | 3,126.71 |
| | Other Income | 21 | - | - | 1.43 | 2.22 | 0.11 |
| | Total Income (A) | | - | 1,370.79 | 2,048.54 | 3,557.06 | 3,126.82 |
| B | EXPENDITURE | | - | - | - | - | - |
| | Cost of materials consumed | | - | 1,139.12 | 1,579.38 | 2,867.71 | 2,355.43 |
| | Purchase of stock-in-trade | | - | - | - | - | - |
| | Changes in inventories of finished goods, traded goods and work-in-progress | | - | (118.64) | (56.02) | (22.03) | (16.20) |
| | Employee benefit expenses | | - | 16.09 | 70.78 | 123.00 | 125.90 |
| | Finance costs | | - | 94.47 | 119.11 | 114.07 | 127.69 |
| | Depreciation and amortisation expense | | - | 29.43 | 38.13 | 49.27 | 40.58 |
| | Other Expenses | | 3.92 | 129.48 | 174.82 | 289.04 | 282.17 |
| | Total Expenses (B) | | 3.92 | 1,289.94 | 1,926.20 | 3,421.06 | 2,915.57 |
| C | Profit before tax | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Prior period items (Net) | | - | - | - | - | - |
| | Profit before exceptional, extraordinary items and tax (A-B) | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Exceptional items | | - | - | - | - | - |
| | Profit before extraordinary items and tax | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Extraordinary items | | - | - | - | - | - |
| D | Profit before tax | | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 |
| | Tax expense : | | - | - | - | - | - |
| | (i) Current tax | | - | 16.50 | 25.20 | 28.30 | 53.01 |
| | (ii) Deferred tax | | - | 50.69 | 34.03 | 22.75 | 14.15 |
| | (iii) MAT credit | | - | (15.35) | (23.95) | (27.34) | - |
| E | Total Tax Expense | | - | 51.85 | 35.28 | 23.70 | 67.16 |
| F | Profit for the year (D-E) | | (3.92) | 29.00 | 87.06 | 112.29 | 144.09 |
| | ACTUAL | | - | 13.34 | 62.70 | 86.51 | 142.55 |
| | Earning per equity share(face value of Rs.10/- each): Basic and Diluted (Rs.) | | (4.23) | 1.45 | 4.27 | 4.19 | 4.97 |
| | Adjusted Earning per equity share(face value of Rs.10/- each): Basic and Diluted (Rs.) | | - | - | - | - | - |
| | Change in Profit due to Restatement | | (3.92) | 15.66 | 24.37 | 25.79 | 1.54 |

ANNEXURE III - STATEMENT OF CASH FLOW AS RESTATED
Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Cash flow from operating activities: | | | | | |
| Net Profit before tax as per Profit And Loss A/c | (3.92) | 80.85 | 122.34 | 136.00 | 211.35 |
| Adjusted for: | - | - | - | - | - |
| Extra-ordinary Items | - | - | - | - | - |
| Depreciation & Amortisation | - | 29.43 | 38.13 | 49.27 | 40.58 |
| (Profit)/Loss on Sale of Fixed assets | - | - | (0.00) | 2.70 | - |
| Interest & Finance Cost | - | 94.47 | 119.11 | 114.07 | 127.69 |
| Interest income | - | - | (1.43) | (2.22) | (0.11) |
| Operating Profit Before Working Capital Changes | (3.92) | 204.75 | 278.14 | 299.81 | 379.42 |
| Adjustments | - | - | - | - | - |
| Decrease/(Increase) in Inventory | (195.04) | (265.77) | (245.62) | (233.94) | (80.07) |
| Decrease/(Increase) in Trade Receivables | - | (339.30) | (222.65) | (324.98) | (45.66) |
| Decrease/(Increase) in Short term Loans and Advances | (152.04) | 128.89 | (1.62) | (14.99) | 30.19 |
| Decrease/(Increase) in Other Current assets | (0.92) | (0.50) | (1.15) | (1.70) | 13.24 |
| (Decrease)/Increase in Other Current Liabilities | 73.06 | 23.14 | 37.36 | 82.28 | 5.63 |
| (Decrease)/Increase in Provisions | 1.54 | 27.86 | (28.52) | 2.33 | 29.10 |
| (Decrease)/Increase in Trade payables | 132.70 | 312.37 | 288.48 | 460.02 | (81.56) |
| Cash Generated From Operations Before Extra-Ordinary Items | (144.60) | 91.42 | 104.42 | 268.83 | 250.29 |
| Add:- Extra-Ordinary Items | - | - | - | - | - |
| Cash Generated From Operations | (144.60) | 91.42 | 104.42 | 268.83 | 250.29 |
| Direct Tax Paid | - | (7.00) | (31.68) | (28.35) | (41.52) |
| Net Cash Flow from/(used in) Operating Activities: (A) | (144.60) | 84.42 | 72.4 | 240.48 | 208.77 |
| Cash Flow From Investing Activities: | - | - | - | - | - |
| Purchase of Fixed Assets (Net) | (593.38) | (89.46) | (317.76) | (146.19) | (48.35) |
| Sale of Fixed assets | 0.70 | - | 1.47 | 4.40 | - |
| Interest Income | - | - | 1.43 | 2.22 | 0.11 |
| (Purchase)/Sale of Investment | (0.15) | - | (1.00) | - | - |
| Decrease/(Increase) in Long term Loans and advances | (0.97) | (5.80) | (6.77) | - | - |
| Decrease/(Increase) in Other Non Current assets | (6.22) | 0.35 | (7.52) | (0.07) | 0.92 |
| (Decrease)/Increase in Other Long term Liabilities | 99.92 | 33.86 | (133.78) | 1.54 | 0.05 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (500.09) | (61.05) | (450.39) | (138.09) | (47.27) |
| Cash Flow from Financing Activities: | - | - | - | - | - |
| Proceeds From Share Capital | 199.50 | - | 25.50 | 65.00 | - |

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Share application money pending allotment | 0.50 | - | (0.50) | - | - |
| Proceeds/Repayment of Long term borrowings (Net) | 387.50 | (68.16) | 312.54 | 66.59 | (293.26) |
| Proceeds/(Repayment) of Short term borrowings (Net) | - | (15.63) | 196.03 | (70.18) | 162.24 |
| Interest & Financial Charges | - | (94.47) | (119.11) | (114.07) | (127.69) |
| Net Cash Flow from/(used in) Financing Activities (C) | 812.09 | (178.26) | 414.47 | (52.66) | (258.72) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 167.39 | (154.89) | 36.82 | 49.73 | (97.21) |
| Cash & Cash Equivalents As At Beginning of the Year | - | 167.39 | 12.50 | 49.32 | 99.05 |
| Cash & Cash Equivalents As At End of the Year | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |

Note No. 1

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO RESTATED SUMMARY STATEMENTS

A. BACKGROUND

Company is engaged in the business of manufacture of decorative laminates and door skins.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Summary Statement of Assets and Liabilities of the Company as on January 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on January 31, 2015 and years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and the annexure thereto (collectively, the “Restated Financial Statements” or “Restated Summary Statements”) have been extracted by the management from the Financial Statements of the Company for the period ended January 31, 2015 and years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011. The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

4. DEPRECIATION

With effect from April 01, 2014, depreciation on tangible fixed assets is provided on the straight line method as per useful life prescribed in Schedule II to the Companies Act, 2013 and up to March 31, 2014, depreciation on tangible fixed assets is provided on the Straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

5. BORROWING COSTS

Borrowing costs that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which incurred.

6. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

7. INVESTMENTS

Long-term investments are stated at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

8. INVENTORIES

Inventories are stated at cost or net realizable value whichever is lower on FIFO basis.

9. REVENUE RECOGNITION

- I. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- II. Sale is recognized on dispatch to goods from point of sales.
- III. Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

10. ACCOUNTING FOR GOVERNMENT GRANTS

- A. Grants/subsidy is recognized unless reasonably assured to be realized and the Company had complied with the conditions attached to the grant.
- B. Grant/subsidy towards specific assets is treated as deferred income in the statement of profit and loss on rational basis over the useful life of the depreciable assets. Grant related to non depreciable asset is credited capital reserve unless it stipulates fulfillment of certain obligations.
- C. Grants of revenue nature is recognized in the statements of profit and loss over the period to match with the related cost, which are intended to be compensated. Such grant is reduced from the related cost.

12. EMPLOYEE BENEFITS DEFINED-CONTRIBUTION PLANS:

A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contributions to Employees Provident Fund are charged to statement of profit and loss every year. The company has no policy of encashment and accumulation of Leave. Therefore, no provision of Leave Encashment is being made. Provision for gratuity has not been made in the accounts upto 31st march, 2014, The same has been started to be incorporated in accounts from 01st April 2014.

13. ACCOUNTING FOR TAXES ON INCOME

- I. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961 after considering tax allowances and exemptions.
- II. Deferred tax on timing differences between taxable and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.
- III. Deferred tax assets on unabsorbed tax losses and unabsorbed depreciation are recognized only when there is a virtual certainty of their realization. Other items are recognized only when there is a reasonable certainty of their realization.

14. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

16. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or

future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly

C. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements for the years ended prior to April 1, 2011 were prepared as per the applicable pre revised Schedule VI of the Companies Act 1956. Consequent to the notification of the revised schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012, March 31, 2013, March 31, 2014, January 31, 2015 are prepared as per the revised schedule VI. Accordingly, the figures of the previous years have also been re-classified to conform to classification as per the revised schedule VI. However, the adoption of revised schedule VI for the figures of the previous year's does not impact recognition and measurement principles followed for the preparation of these financial statements.
2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
3. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.
4. Segment Reporting (AS 17) : No separate segments has been reported as the company does not have more than one business Segments within the meaning of Accounting standard -17, which differ from each other in risk and reward.
5. Provisions, Contingent Liabilities and Contingent Assets (AS 29) Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on January 31, 2015
6. Related Party Disclosure (AS 18) Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – VI of the enclosed financial statements
7. Accounting For Taxes on Income (AS 22) Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported under Annexure IX

8. Earnings Per Share (AS 20): Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements

9. Material Adjustments [As Per Sebi (ICDR) Regulations, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards. The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) and assets and liabilities of the Company is as under.

Statement of adjustments in the Financial Statements

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

- a. Adjustment on account of provision for Gratuity:

The Company did not provide gratuity in any of the earlier years. The same has been provided for the purpose of Restatement on the basis of Actuarial Report. This has resulted in change in accounting policy.

- b. Preliminary expenses not qualifying as Intangible assets as per AS-26 Written off:

During the financial year 2010-11 Rs. 3,84,920/- was accounted as expenses being not qualifying as intangible assets. The Company has treated such expenses as preliminary expenses and showed as a fictitious asset. The same has been fully written off in the first year in the Restated financial statements.

- c. Prior period Expense During the FY 2011-12: Company has recorded the printing and stationary expense of FY 2010-11 in FY 2011-12. The same has been taken under the FY 2010-11 in restated financial statement

10. Realisations: In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

11. Contractual liabilities All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Company has not recorded the MAT Credit Entries in its Books of account, the same has been incorporated in restated financial statement

13. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 Under the Micro, Small and Medium Enterprises Development Act, 2006 read with notification no. 8/7/2006 – CDN dt 17/05/2007, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However in the view of the management, the impact of interest, if any, that may be payable as per the provisions of this Act is not expected to be material.
14. Amounts in the financial statements Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.
15. Previous year's figures 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. Figures of all the previous year's dealt in this statement have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure to the extent possible

NOTE: 2

1) SHARE CAPITAL

| Amt. in lakhs | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|
| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
| <u>Equity Share Capital</u> | | | | | |
| Authorised Share capital | 200.00 | 200.00 | 225.00 | 290.00 | 290.00 |
| Equity Share of Rs. 10/- each | | | | | |
| Issued, Subscribed & Fully Paid Up Share Capital | | | | | |
| Equity Share of Rs. 10/- each | 199.50 | 199.50 | 225.00 | 290.00 | 290.00 |
| T O T A L | 199.50 | 199.50 | 225.00 | 290.00 | 290.00 |

2) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR

| Amt. in lakhs | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
| Equity shares at the beginning of the year | 199.50 | 199.50 | 199.50 | 225.00 | 290.00 |
| Add: Shares Allotted during the year | - | - | 25.50 | 65.00 | - |
| Equity Shares at the end of the year | 199.50 | 199.50 | 225.00 | 290.00 | 290.00 |

3) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

Amt. in lakhs

| Name of Shareholder | As at 31st March, 2011 | | As at 31st March, 2012 | | As at 31st March, 2013 | | As at 31st March, 2014 | | As at 31 January, 2015 | |
|---------------------|------------------------|-------|------------------------|-------|------------------------|-------|------------------------|-------|------------------------|-------|
| | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % |
| Govindbhai Patel | 5.02 | 25.16 | 5.02 | 25.16 | 5.52 | 24.53 | 5.52 | 22.04 | 7.15 | 24.64 |
| Rameshbhai Patel | - | | - | | 5.00 | 22.22 | 5.00 | 19.96 | 6.62 | 22.84 |
| Prahladbhai Patel | 3.74 | 18.75 | 3.74 | 18.75 | 5.24 | 23.29 | 5.24 | 20.92 | 6.87 | 23.68 |
| Sureshbhai Patel | 4.70 | 23.58 | 4.70 | 23.58 | - | 0 | - | 0 | - | |
| Veljibhai Patel | 2.95 | 14.79 | 2.95 | 14.79 | 4.62 | 20.55 | 4.62 | 18.46 | 6.25 | 21.55 |

NOTE: 3 RESERVES AND SURPLUS AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
| Surplus (Profit & Loss Account) | | | | | |
| Opening Balance | 0.00 | (3.92) | 25.08 | 112.16 | 224.45 |
| Add: Profit for the year | (3.92) | 29.00 | 87.06 | 112.29 | 114.09 |
| Less: Computer System Written off | - | - | - | - | (1.42) |
| Add/Less: Other Adjustments | | | 0.01 | - | (0.37) |
| Closing Balance | (3.92) | 25.08 | 112.16 | 224.45 | 336.74 |
| TOTAL | (3.92) | 25.08 | 112.16 | 224.45 | 366.74 |

NOTE 4: LONG TERM BORROWINGS AS RESTATED

Amt.in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| Secured | | | | | |
| Term loan (a) | 387.50 | 312.50 | 393.55 | 361.29 | 276.31 |
| Vehicle loan (b) | - | 6.84 | 24.85 | 18.28 | 12.25 |
| Office Loan (c) | - | - | 19.28 | 16.76 | 14.70 |
| Unsecured | - | - | - | - | - |

| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Loan from Directors, Relatives & Shareholders | - | - | 194.20 | 282.79 | 98.94 |
| Business Loan from Financial Institution (d) | - | - | - | 19.34 | 3.00 |
| TOTAL | 387.50 | 319.34 | 631.88 | 698.47 | 405.20 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

| Sr. No | Nature of Security | Terms of Repayment |
|--------|--|--|
| (a) | <p><u>Registered Equitable mortgage over the following properties</u></p> <p>a. industrial Property owned. by Smt. Monghiben V. Patel situated at Survey No. 309, Zak FIDC, Opp. Onset Way Bridge, Opp. Jay Ganesh Ply industries, Village: Zak, Ta: Dehgam, Dist.: Gandhinagar. Land area 8195.00 Sq. Mtr. & built up area 4711.00 Sq. Mtr. Market value of T.823.00 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> <p>b. Industrial Property owned. by Smt. Monghiben V. Patel situated at Survey No. 311, Tank FIDC, Opp. Enset Way Bridge, Opp. Jay Ganesh Ply Industries, Village: Zak, Ta: Dehgam, Dist. Gandhinagar. Land area 5767.00 Sq. Mtr. Market value of <.96.00 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> <p>c. Residential property owned by Govindbhai Patel & Prahladbhai Patel situated at 55/2, Mohannagar Society, Munshi Compound, Naroda, Ahmedabad. Land area 157.51 Sq. Yds. & built up area 7L.76 Sq. Yds. Market value of <.43.30 Lac, realizable value of 1.34.64 Lac & distress value of {.30.30 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> | <p>i) Term Loan 1 - 35 Monthly Instalment of Rs. 642857.00 + Interest @ 13%</p> <p>ii) Term Loan 2 - 52 Monthly Instalment of Rs. 288865.00 + Interest @ 13% for 1st 36 Month and there after floating rate</p> <p>iii) Term Loan 3 - 64 Monthly Instalment of Rs. 143219.00 + Interest @ 13% for 1st 36 Month and there after floating rate</p> |
| (b) | Secured by lien on vehicle purchased under hire purchase agreements. | <p>i) 12.54% Innova Car Loan- 59 Equal Monthly Instalment of Rs. 24450.00</p> <p>i) 10% Audi Car Loan - 60 Equal Monthly Instalment of Rs. 48868.00</p> |
| (c) | Secured by lien on Office premises purchased. | 84 Equal Monthly Instalments of Rs. 40602.00 including Interest @ 14.5% |
| (d) | Unsecured business loan from Bajaj Finserv Ltd. | 24 Equal Monthly Instalments of Rs. 178625.00 Including Interest @ 19.25% P.A. |

NOTE: 5 LONG TERM PROVISIONS AS RESTATED

| Amt. in lakhs | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|
| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
| <u>Provision for Employee Benefits</u> | | | | | |
| Gratuity | | 0.52 | 0.86 | 3.15 | 6.51 |
| TOTAL | - | 0.52 | 0.86 | 3.15 | 6.51 |

NOTE: 6 OTHER LONG TERM LIABILITIES AS RESTATED

| Amt. in lakhs | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
| (a) Trade Payable | - | - | - | 0.53 | 0.53 |
| (b) Others | - | - | - | - | - |
| Creditors For Fixed Asset | 72.91 | 33.25 | - | 1.02 | 1.02 |
| Deposits from director and other relatives | 27.01 | 100.52 | - | - | - |
| Security Deposit of GMDC | - | - | - | - | 0.05 |
| TOTAL | 99.92 | 133.78 | - | 1.54 | 1.60 |

NOTE : 7 SHORT TERM BORROWINGS AS RESTATED

| Amt. in lakhs | | | | | |
|-----------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
| <u>Secured</u> | | | | | |
| Cash Credit Loans | 224.59 | 208.96 | 404.99 | 334.81 | 497.05 |
| TOTAL | 224.59 | 208.96 | 404.99 | 334.81 | 497.05 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

| Nature of Security | Terms of Repayment |
|--|---|
| Secured by exclusive 1st charge by way of hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book debts of the company both present and future. | Annual Renewal with 100% Interchangeability |

NOTE 8: TRADE PAYABLES AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| <u>Trade Payable</u> | | | | | |
| For Expense | 5.41 | 14.19 | 60.78 | 62.20 | 58.41 |
| For Fixed Assets | - | - | 19.35 | 20.29 | 12.27 |
| For Indigenous Goods | 127.29 | 430.87 | 653.42 | 1,111.07 | 1,041.33 |
| | - | - | - | - | - |
| TOTAL | 132.70 | 445.06 | 733.55 | 1,193.57 | 1,112.01 |

NOTE 9: OTHER CURRENT LIABILITIES AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| <u>Current maturities of long term debt</u> | | | | | |
| Term loan (a) | 62.31 | 75.00 | 110.04 | 126.71 | 128.99 |
| Vehicle loan (b) | - | 2.93 | 5.81 | 6.48 | 7.11 |
| Office Loan (c) | - | - | 1.92 | 2.22 | 2.22 |
| Business Loan (d) | - | - | - | 15.99 | 18.75 |
| | - | - | - | - | - |
| <u>Other payables</u> | - | - | - | - | - |
| Advance from customers | - | 5.13 | 1.78 | 42.00 | 34.94 |
| Statutory dues | 0.75 | 13.14 | 7.73 | 15.37 | 28.46 |
| Other | 10.00 | - | 6.27 | 7.07 | 1.00 |
| | - | - | - | - | - |
| TOTAL | 73.06 | 96.20 | 133.56 | 215.84 | 221.47 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

| Sr. No | Nature of Security | Terms of Repayment |
|--------|--|--|
| (a) | <p><u>Registered Equitable mortgage over the following properties</u></p> <p>a. Industrial Property owned. by Smt. Monghiben V. Patel situated at Survey No. 309, Zak FIDC, Opp. Onset Way Bridge, Opp. Jay Ganesh Ply industries, Village: Zak, Ta: Dehgam, Dist. Gandhinagar. Land area 8195.00 Sq. Mtr. & built up area 4711.00 Sq. Mtr. Market value of T.823.00 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> <p>b. Industrial Property owned. by Smt. Monghiben V. Patel situated at Survey No. 311, Tank FIDC, Opp. Enset Way Bridge, Opp. Jay Ganesh Ply industries, Village: Zak, Ta: Dehgam, Dist. Gandhinagar. Land area 5767.00 Sq. Mtr. Market value of <.96.00 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> <p>c. Residential property owned by Govindbhai Patel & Shri Prahladbhai V. Patel situated at 55/2, Mohannagar Society, Munshi Compound, Naroda, Ahmedabad. Land area 157.51 Sq. Yds. & built up area 7L.76 Sq. Yds. Market value of <.43.30 Lac, realizable value of 1.34.64 Lac & distress value of { .30.30 Lac as per valuation report by M/s Best Appraisal Consultants as of 15.05.2014.</p> | <p>i) Term Loan 1 - 35 Monthly Instalment of Rs. 642857.00 + Interest @ 13%</p> <p>ii) Term Loan 2 - 52 Monthly instalment of Rs. 288865.00 + Interest @ 13% for 1st 36 Month and there after floating rate</p> <p>iii) Term Loan 3 - 64 Monthly Instalment of Rs. 143219.00 + Interest @ 13% for 1st 36 Month and there after floating rate</p> |
| (b) | Secured by lien on vehicle purchased under hire purchase agreements. | <p>i) 12.54% Innova Car Loan- 59 Equal Monthly instalment of Rs. 24450.00</p> <p>i) 10% Audi Car Loan - 60 Equal Monthly Instalment of Rs. 48868.00</p> |
| (c) | Secured by lien on Office premises purchased. | 84 Equal Monthly Instalments of Rs. 40602.00 including Interest @ 14.5% |
| (d) | Unsecured business loan from Bajaj Finserv Ltd. | 24 Equal Monthly Instalments of Rs. 178625.00 Including Interest @ 19.25% P.A. |

NOTE 10: SHORT TERM PROVISIONS AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| <u>Provision of Income tax(Net of Advance Tax & TDS)</u> | | | | | |
| Income Tax Provision | - | 9.50 | 3.01 | 2.96 | 14.45 |
| | - | - | - | - | - |
| <u>Provision for Employee benefits</u> | - | - | - | - | - |
| Salary Payable | - | 4.65 | - | - | 9.98 |
| Wages Payable | - | 0.79 | - | - | 11.95 |
| Gratuity | - | 0.01 | 0.02 | 0.06 | 0.12 |
| | - | - | - | - | - |
| <u>Provision of expenses:</u> | - | - | - | - | - |
| Unpaid Director Remuneration | - | 23.23 | - | - | - |
| Unpaid Factory Electricity Bill | 1.49 | - | - | - | 4.11 |
| Unpaid Audit Fees | 0.05 | 0.20 | - | - | - |
| | - | - | - | - | - |
| TOTAL | 1.54 | 38.38 | 3.02 | 3.02 | 40.62 |

NOTE 11: FIXED ASSET AS RESTATED

FOR THE FINANCIAL YEAR 2010 - 2011

Amt. in lakhs

| SR. No | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | | Net Block 31-Mar- 2011 | Net Block 31-Mar- 2010 |
|-----------|------------------------|------------------------------|--------------------------------|---------------------------------|---|-------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|------------------------------|------------------------------|
| | | Balance as on 1-Apr-10 | Addition during the year | Deduction during the year | Transfer/ Written off During the year | Balance as on 31-Mar-11 | Balance as on 1-Apr-10 | Addition during the year | Deduction during the year | Balance as on 31-Mar-11 | | |
| 1) | Tangible Assets | | | | | | | | | | | |
| | 1) Computer | 2.95 | 0.00 | 0.00 | 0.00 | 2.95 | 0.00 | 0.00 | 0.00 | 0.00 | 2.95 | 2.95 |
| | 2) Plant & Machinery | 441.42 | 0.00 | 0.70 | 0.00 | 440.71 | 0.00 | 0.00 | 0.00 | 0.00 | 440.71 | 441.42 |
| | 3) Factory Building | 143.31 | 0.00 | 0.00 | 0.00 | 143.31 | 0.00 | 0.00 | 0.00 | 0.00 | 143.31 | 143.31 |
| | 4) Furniture | 5.71 | 0.00 | 0.00 | 0.00 | 5.71 | 0.00 | 0.00 | 0.00 | 0.00 | 5.71 | 5.71 |
| | TOTAL | 593.38 | 0.00 | 0.70 | 0.00 | 592.68 | 0.00 | 0.00 | 0.00 | 0.00 | 592.68 | 593.38 |
| | | | | | | | | | | | | |
| | PREVIOUS YEAR | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



FOR THE FINANCIAL YEAR 2011 – 2012

Amt. in lakhs

| Sr. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | | Net Block 31-Mar-12 | NET BLOCK 31-Mar-2011 |
|---------|--------------------------|------------------------|--------------------------|---------------------------|---------------------------------------|-------------------------|--------------------------|--------------------------|---------------------------|-------------------------|---------------------|-----------------------|
| | | Balance as on 1-Apr-11 | Addition during the year | Deduction during the year | Transfer/ Written off During the year | Balance as on 31-Mar-12 | Balance as on 1-Apr-2011 | Addition during the year | Deduction during the year | Balance as on 31-Mar-12 | | |
| 1) | Tangible Assets | | | | | | | | | | | |
| | 1)Factory Building | 143.31 | 3.54 | 0.00 | 0.00 | 146.85 | 0.00 | 4.86 | 0.00 | 4.86 | 141.99 | 143.31 |
| | 2)Computer | 2.77 | 0.00 | 0.00 | 0.00 | 2.77 | 0.00 | 0.45 | 0.00 | 0.45 | 2.32 | 2.77 |
| | 3)Furniture & Fixture | 5.71 | 0.00 | 0.00 | 0.00 | 5.71 | 0.00 | 0.36 | 0.00 | 0.36 | 5.35 | 5.71 |
| | 4)Plant & Machinery | 440.80 | 71.50 | 0.00 | 0.00 | 512.30 | 0.00 | 22.94 | 0.00 | 22.94 | 489.35 | 440.80 |
| | 5)Motor Car | 0.00 | 14.17 | 0.00 | 0.00 | 14.17 | 0.00 | 0.82 | 0.00 | 0.82 | 13.36 | 0.00 |
| | TOTAL | 592.59 | 89.21 | 0.00 | 0.00 | 681.80 | 0.00 | 29.43 | 0.00 | 29.43 | 652.37 | 592.59 |
| | | | | | | | | | | | | |
| | Previous Year | 0.00 | 593.29 | 0.70 | 0.00 | 592.59 | 0.00 | 0.00 | 0.00 | 0.00 | 592.59 | 0.00 |
| | | | | | | | | | | | | |
| 2) | Intangible Assets | | | | | | | | | | | |
| | Computer Software | 0.09 | 0.25 | 0.00 | 0.00 | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.34 | 0.09 |
| | TOTAL | 0.09 | 0.25 | 0.00 | 0.00 | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.34 | 0.09 |
| | | | | | | | | | | | | |
| | Previous Year | 0.00 | 0.09 | 0.00 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.00 | 0.09 | 0.00 |
| | | | | | | | | | | | | |
| | GRAND TOTAL | 592.68 | 89.46 | 0.00 | 0.00 | 682.14 | 0.00 | 29.43 | 0.00 | 29.43 | 652.70 | 592.68 |

FOR THE FINANCIAL YEAR 2012 – 2013

Amt. in lakhs

| Sr. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | | Net Block 31-Mar-13 | Net Block 31-Mar-2012 |
|---------|--------------------------|------------------------|--------------------------|---------------------------|---------------------------------------|-------------------------|--------------------------|--------------------------|---------------------------|-------------------------|---------------------|-----------------------|
| | | Balance as on 1-Apr-12 | Addition during the year | Deduction during the year | Transfer/ Written off During the year | Balance as on 31-Mar-13 | Balance as on 1-Apr-2012 | Addition during the year | Deduction during the year | Balance as on 31-Mar-13 | | |
| 1) | Tangible Assets | | | | | | | | | | | |
| | 1)Factory Building | 146.85 | 30.95 | 0.00 | 0.00 | 177.80 | 4.86 | 5.33 | 0.00 | 10.19 | 167.61 | 141.99 |
| | 1)Office Premises | 0.00 | 24.74 | 0.00 | 0.00 | 24.74 | 0.00 | 0.06 | 0.00 | 0.06 | 24.68 | 0.00 |
| | 2)Computer | 2.77 | 0.00 | 0.00 | 0.00 | 2.77 | 0.45 | 0.45 | 0.00 | 0.90 | 1.87 | 2.32 |
| | 3)Furniture & Fixture | 5.71 | 0.00 | 0.00 | 0.00 | 5.71 | 0.36 | 0.36 | 0.00 | 0.72 | 4.99 | 5.35 |
| | 4)Plant & Machinery | 512.30 | 233.78 | 1.50 | 0.00 | 744.57 | 22.94 | 30.10 | 0.03 | 53.01 | 691.56 | 489.35 |
| | 4)Motor Car | 14.17 | 28.28 | 0.00 | 0.00 | 42.46 | 0.82 | 1.74 | 0.00 | 2.56 | 39.90 | 13.36 |
| | TOTAL | 681.80 | 317.76 | 1.50 | 0.00 | 998.06 | 29.43 | 38.04 | 0.03 | 67.45 | 930.62 | 652.37 |
| | | | | | | | | | | | | |
| | Previous Year | 592.59 | 89.21 | 0.00 | 0.00 | 681.80 | 0.00 | 29.43 | 0.00 | 29.43 | 0.00 | 652.37 |
| | | | | | | | | | | | | |
| 2) | Intangible Assets | | | | | | | | | | | |
| | Computer Software | 0.34 | 0.00 | 0.00 | 0.08 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.34 |
| | TOTAL | 0.34 | 0.00 | 0.00 | 0.08 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.34 |
| | | | | | | | | | | | | |
| | Previous Year | 0.09 | 0.33 | 0.00 | 0.08 | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.34 |
| | | | | | | | | | | | | |
| | GRAND TOTAL | 682.14 | 317.76 | 1.50 | 0.08 | 998.31 | 29.43 | 38.04 | 0.03 | 67.45 | 930.87 | 652.70 |

FOR THE FINANCIAL YEAR 2013 – 2014

Amt. in lakhs

| Sr. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | | Net Block 31-Mar-14 | NET BLOCK 31-Mar-2013 |
|---------|--------------------------|------------------------|--------------------------|---------------------------|---------------------------------------|-------------------------|--------------------------|--------------------------|---------------------------|-------------------------|---------------------|-----------------------|
| | | Balance as on 1-Apr-13 | Addition during the year | Deduction during the year | Transfer/ Written off During the year | Balance as on 31-Mar-14 | Balance as on 1-Apr-2013 | Addition during the year | Deduction during the year | Balance as on 31-Mar-14 | | |
| 1) | Tangible Assets | | | | | | | | | | | |
| | 1)Factory Building | 177.80 | 12.32 | 0.00 | 0.00 | 190.12 | 10.19 | 6.13 | 0.00 | 16.33 | 173.80 | 167.61 |
| | 1)Office Premises | 24.74 | 0.00 | 0.00 | 0.00 | 24.74 | 0.06 | 0.40 | 0.00 | 0.47 | 24.28 | 24.68 |
| | 2)Computer | 2.77 | 0.56 | 0.00 | 0.00 | 3.33 | 0.90 | 0.52 | 0.00 | 1.42 | 1.91 | 1.87 |
| | 3)Furniture & Fixture | 5.71 | 0.00 | 0.00 | 0.00 | 5.71 | 0.72 | 0.36 | 0.00 | 1.08 | 4.62 | 4.99 |
| | 4)Plant & Machinery | 744.57 | 133.32 | 8.06 | 0.00 | 869.83 | 53.01 | 37.73 | 0.97 | 89.78 | 780.05 | 691.56 |
| | 4)Motor Car | 42.46 | 0.00 | 0.00 | 0.00 | 42.46 | 2.56 | 4.03 | 0.00 | 6.59 | 35.86 | 39.90 |
| | TOTAL | 998.06 | 146.19 | 8.06 | 0.00 | 1136.19 | 67.45 | 49.19 | 0.97 | 115.67 | 1020.52 | 930.62 |
| | Previous Year | 681.80 | 317.76 | 1.50 | 0.00 | 998.06 | 29.43 | 38.04 | 0.03 | 67.45 | 0.00 | 930.62 |
| 2) | Intangible Assets | | | | | | | | | | | |
| | Computer Software | 0.25 | 0.00 | 0.00 | 0.08 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.17 | 0.25 |
| | TOTAL | 0.25 | 0.00 | 0.00 | 0.08 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.17 | 0.25 |
| | Previous Year | 0.34 | 0.00 | 0.00 | 0.08 | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.34 |
| | GRAND TOTAL | 998.31 | 146.19 | 8.06 | 0.08 | 1136.44 | 67.45 | 49.19 | 0.97 | 115.67 | 1020.69 | 930.87 |

FOR THE PERIOD APRIL 01, 2014 TO JANUARY 31, 2015

Amt. in lakhs

| Sr. No. | PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | | Net Block 31-Mar-15 | Net Block 31-Mar-2014 |
|---------|--------------------------|------------------------|--------------------------|---------------------------|---------------------------------------|-------------------------|--------------------------|--------------------------|---------------------------|-------------------------|---------------------|-----------------------|
| | | Balance as on 1-Apr-14 | Addition during the year | Deduction during the year | Transfer/ Written off During the year | Balance as on 31-Jan-15 | Balance as on 1-Apr-2014 | Addition during the year | Deduction during the year | Balance as on 31-Mar-15 | | |
| 1) | Tangible Assets | | | | | | | | | | | |
| | 1)Factory Building | 190.12 | 1.37 | 0.00 | 0.00 | 191.50 | 16.33 | 5.34 | 0.00 | 21.67 | 169.83 | 173.80 |
| | 1)Office Premises | 24.74 | 0.00 | 0.00 | 0.00 | 24.74 | 0.47 | 0.35 | 0.00 | 0.81 | 23.93 | 24.28 |
| | 2)Computer | 3.33 | 0.00 | 0.00 | 0.00 | 3.33 | 1.42 | 0.18 | 1.35 | 0.25 | 3.07 | 1.91 |
| | 3)Furniture & Fixture | 5.71 | 0.00 | 0.00 | 0.00 | 5.71 | 1.08 | 0.55 | 0.00 | 1.64 | 4.07 | 4.62 |
| | 4)Plant & Machinery | 869.83 | 46.98 | 0.00 | 0.00 | 916.81 | 89.78 | 29.34 | 0.00 | 119.12 | 797.69 | 780.05 |
| | 4)Motor Car | 42.46 | 0.00 | 0.00 | 0.00 | 42.46 | 6.59 | 3.60 | 0.00 | 10.19 | 32.26 | 35.86 |
| | TOTAL | 1136.19 | 48.35 | 0.00 | 2.77 | 1181.77 | 115.67 | 40.51 | 1.35 | 154.83 | 1026.94 | 1020.52 |
| | | | | | | | | | | | | |
| | Previous Year | 998.06 | 146.19 | 8.06 | 0.00 | 1136.19 | 67.45 | 49.19 | 0.97 | 115.67 | 0.00 | 1020.52 |
| | | | | | | | | | | | | |
| 2) | Intangible Assets | | | | | | | | | | | |
| → | Computer Software | 0.17 | 0.00 | 0.00 | 0.07 | 0.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 | 0.17 |
| | TOTAL | 0.17 | 0.00 | 0.00 | 0.07 | 0.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 | 0.17 |
| | | | | | | | | | | | | |
| | Previous Year | 0.25 | 0.00 | 0.00 | 0.08 | 0.17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.17 |
| | | | | | | | | | | | | |
| | GRAND TOTAL | 1136.36 | 48.35 | 0.00 | 2.84 | 1181.87 | 115.67 | 40.51 | 1.35 | 154.83 | 1027.04 | 1020.69 |



NOTE 12: NON CURRENT INVESTMENT AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
| <u>(a) Long term Investment</u> | | | | | |
| Bank Of Baroda Mutual Fund | | 0.00 | 1.00 | 1.00 | 1.00 |
| National Saving Certificate | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 |
| TOTAL | 0.15 | 0.15 | 1.15 | 1.15 | 1.15 |

NOTE 13: LONG TERM LOANS AND ADVANCES AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|
| <u>Unsecured considered good</u> | | | | | |
| Capital Advance | 0.97 | 6.77 | - | - | - |
| TOTAL | 0.97 | 6.77 | - | - | - |

NOTE 14: OTHER NON CURRENT ASSET AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| Security Deposit | 6.22 | 5.87 | 13.38 | 13.45 | 12.53 |
| TOTAL | 6.22 | 5.87 | 13.38 | 13.45 | 12.53 |

NOTE 15: INVENTORIES

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| Raw materials | 194.73 | 342.16 | 531.76 | 743.67 | 807.54 |
| Work-in-progress | - | 3.50 | 3.81 | 7.42 | 5.56 |
| Finished goods | - | 115.14 | 155.75 | 189.26 | 207.33 |
| Stock in Transit | 0.31 | - | 15.10 | - | - |
| TOTAL | 195.04 | 460.81 | 706.42 | 940.36 | 1,020.43 |

NOTE 16: TRADE RECEIVABLES AS RESTATED
Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| <u>Unsecured, considered good</u> | | | | | |
| Less than six months | - | 339.30 | 557.54 | 831.51 | 885.80 |
| More than six months | - | - | 4.41 | 55.41 | 46.79 |
| TOTAL | - | 339.30 | 561.95 | 886.93 | 932.58 |

NOTE 17: CASH AND CASH EQUIVALENT AS RESTATED
Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| (a) Balances with banks | | | | | |
| On current Account | 166.39 | 10.21 | 35.21 | 80.21 | 0.98 |
| In Fixes Deposit /In Margin Money A/c: | - | - | 12.89 | 13.84 | - |
| (b) Cash on hand | 1.00 | 2.29 | 1.23 | 5.00 | 0.86 |
| TOTAL | 167.39 | 12.50 | 49.32 | 99.05 | 1.84 |

NOTE 18 : SHORT TERM LOANS AND ADVANCES AS RESTATED
Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Advance to supplier | 94.53 | 5.33 | 0.91 | 19.67 | 5.47 |
| Balances with Government Authorities | 57.26 | 17.67 | 22.45 | 20.10 | 4.09 |
| Advance to Others | 0.25 | 0.15 | 1.41 | - | 0.01 |
| TOTAL | 152.04 | 23.15 | 24.77 | 39.76 | 9.57 |

NOTE 19: OTHER CURRENT ASSETS AS RESTATED
Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|-----------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Prepaid expenses | 0.92 | 1.42 | 2.58 | 4.28 | 2.09 |
| MAT Credit Receivable | - | 15.35 | 39.30 | 66.64 | 55.59 |
| TOTAL | 0.92 | 16.77 | 41.87 | 70.92 | 57.68 |

NOTE 20: REVENUE FROM OPERATIONS AS RESTATED

Amt. in lakhs

| Particulars | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2013 | As at March 31, 2014 | As at January 31, 2015 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|
| Sale of Products | - | 1,513.26 | 2,300.28 | 3,992.82 | 3,508.36 |
| Other operating revenues | - | 0.27 | - | - | - |
| Less: Excise duty | - | 142.74 | 253.18 | 437.99 | 381.64 |
| Revenue from operations (net of excise duty) | - | 1,370.79 | 2,047.10 | 3,554.84 | 3,126.71 |

NOTE 21: OTHER INCOME

Amt. in lakhs

| Particulars | For the Year Ended March 31, 2011 | For the Year Ended March 31, 2012 | For the Year Ended March 31, 2013 | For the Year Ended March 31, 2014 | As at January 31, 2015 | Nature |
|--------------------------------------|---|---|---|--|------------------------------|--------------------|
| Other income | - | - | 1.43 | 2.22 | 0.11 | Interest Income |
| Net Profit Before Tax as Restated | (3.92) | 80.85 | 122.34 | 136.00 | 211.25 | |
| Percentage | - | - | 0.01 | 0.02 | 0.05 | |

Source of Income

| | | | | | | |
|-------------------------------|--|---|-------------|-------------|-------------|---|
| Interest Income | | | 1.43 | 2.22 | 0.11 | Recurring and not related to business activity. |
| Miscellaneous Receipts | | | 0.00 | | | Non recurring and not related to business activity. |
| Total Other income | | - | 1.43 | 2.22 | 0.11 | |

ANNEXURE IV CAPITALISATION STATEMENT AS AT 31ST JANUARY, 2015

Amt. in lakhs

| Particulars | Pre Issue | Post Issue |
|--|-----------------|-----------------|
| Borrowings | | |
| Short term debt (A) | 654.12 | 654.12 |
| Long Term Debt (B) | 405.20 | 405.20 |
| Total debts (C) | 1,059.33 | 1,059.33 |
| | | |
| Shareholders' funds | | |
| Equity share capital | 290.00 | 397.40 |
| Reserve and surplus - as restated | 366.74 | 688.94 |
| | | |
| Total shareholders' funds | 656.74 | 1,086.34 |
| | | |
| Long term debt / shareholders funds | 0.6170 | 0.3730 |
| Total debt / shareholders funds | 1.6130 | 0.9751 |

ANNEXURE V: STATEMENT OF TAX SHELTERS

Amt. in lakhs

| Particulars | Year ended March 31, 2011 | Year ended March 31, 2012 | Year ended March 31, 2013 | Year ended March 31, 2014 | As at January 31, 2015 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|------------------------|
| Profit before tax as per books (A) | - | 80.54 | 121.92 | 137.55 | 209.71 |
| Tax Rate (%) | 19.05 | 19.05 | 20.01 | 20.01 | 32.45 |
| Tax at notional rate on profits | - | 15.34 | 24.39 | 27.52 | 68.04 |
| Adjustments : | | | | | |
| Permanent Differences(B) | | | | | |
| Expenses disallowed under Income Tax Act, 1961 | - | 0.07 | 0.40 | 2.70 | 0.50 |
| Total Permanent Differences(B) | - | 0.07 | 0.40 | 2.70 | 0.50 |
| Income considered separately (C) | | | | | |
| Interest Income | | | (1.43) | (2.22) | (0.11) |
| Short Term Capital Gain | | | (0.0016) | - | - |
| Total Income considered separately (C) | - | - | (1.43) | (2.22) | (0.11) |
| Timing Differences (D) | | | | | |
| Difference between tax depreciation and book depreciation | - | (164.05) | (104.88) | (70.03) | (50.25) |

| Particulars | Year ended March 31, 2011 | Year ended March 31, 2012 | Year ended March 31, 2013 | Year ended March 31, 2014 | As at January 31, 2015 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|------------------------|
| Difference due to expenses allowable/ disallowable u/s 43B | - | - | - | - | 3.42 |
| Total Timing Differences (D) | - | (164.05) | (104.88) | (70.03) | (46.83) |
| Net Adjustments E = (B+C+D) | - | (163.99) | (105.91) | (69.55) | (46.44) |
| Tax expense / (saving) thereon | - | (31.24) | (21.19) | (13.91) | (15.07) |
| Capital Gains | | | | | |
| Short Term Capital Gain | | | 0.0016 | - | - |
| Capital Gains (F) | | | 0.0016 | - | - |
| Income from Other Sources | | | | | |
| Interest Income | | - | 1.43 | 2.22 | 0.11 |
| Income from Other Sources (G) | - | - | 1.43 | 2.22 | 0.11 |
| Taxable Income/(Loss) (A+E+F+G) | - | (83.45) | 17.45 | 70.22 | 163.38 |
| Taxable Income/(Loss) as per MAT | - | 80.54 | 121.92 | 137.55 | 209.71 |
| Income Tax as returned/computed | - | 15.35 | 24.39 | 27.52 | 53.01 |
| Tax paid as per normal or MAT | | MAT | MAT | MAT | Normal |

ANNEXURE VI RELATD PARTY TRANSACTIONS AS RESTATED

| Sr. No. | Nature of Relationship | Name of Related Parties |
|---------|----------------------------------|-------------------------|
| 1 | Associate Companies / Enterprise | Anand Timber Mart |
| | | Kalyani Timber Mart |
| | | Parmeshwar Timber Mart |
| | | Maruti Packaging |
| | | Vinus Ply Industries |
| 2 | Key Managerial Person | Ashwinbhai A Patel |
| | | Govindbhai V Patel |
| | | Sureshbhai A Patel |
| | | Prahladbhai V Patel |
| | | Rameshbhai V Patel |
| | | Veljibhai V Patel |
| 3 | Relatives of Key Person | Arjanbhai V Patel |
| | | Gangaben A Patel |
| | | Hansaben S Patel |
| | | Jayeshkumar V Patel |

| Sr. No. | Nature of Relationship | Name of Related Parties |
|---------|------------------------|-------------------------|
| | | Jignesh S Patel |
| | | Kavitaben Patel |
| | | Kinjalben Patel |
| | | Kuvarben V Patel |
| | | Laxmiben A Patel |
| | | Monghiben V Patel |
| | | Narendra B Patel |
| | | Nirav B Bhagat |
| | | Nitaben A Patel |
| | | Pareshaben Patel |
| | | Ravibhai Patel |
| | | Rekhaben Patel |
| | | Savitriben R Patel |

| Sr. No. | Nature of Transaction | Period | | | | |
|---------|---------------------------|---------|---------|---------|----------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| A | Anand Timber Mart | | | | | |
| | Opening Balance | - | - | 42.71 | 43.80 | (38.98) |
| | Loan Taken | - | - | - | - | - |
| | Loan Given | - | - | - | - | - |
| | Sales of Goods | - | 557.15 | 779.55 | 1,415.81 | 1,161.00 |
| | Receipt of Sales | - | 514.45 | 778.45 | 1,498.59 | 1,155.12 |
| | Closing Balance | - | 42.71 | 43.80 | (38.98) | (33.10) |
| | | | | | | |
| B | Kalyani Timber | | | | | |
| | Opening Balance | - | - | (2.90) | 1.71 | - |
| | Loan Taken | - | - | - | - | - |
| | Loan Given | - | - | - | - | - |
| | Sales of Goods | - | 34.85 | 4.61 | - | - |
| | Receipt of Sales | - | 37.75 | - | - | - |
| | Bad Debt | - | - | - | (1.71) | - |
| | Closing Balance | - | (2.90) | 1.71 | - | - |
| | | | | | | |
| C | Ashwinbhai A Patel | | | | | |
| | Opening Balance | - | - | 7.11 | 7.87 | - |
| | Loan Taken / (Repayment) | - | 7.00 | - | (8.68) | - |
| | Loan Given | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|----------------------------|-------------|-------------|-------------|-------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Remuneration | - | - | 2.46 | | - |
| | Interest Expense | - | 0.11 | 0.77 | 0.81 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 7.11 | 7.87 | - | - |
| | | | | | | |
| D | Gangaben A Patel | | | | | |
| | Opening Balance | - | 2.69 | 2.99 | - | - |
| | Loan Taken / (Repayment) | 2.65 | - | (3.29) | - | - |
| | Loan Given | - | - | - | - | - |
| | Remuneration | - | - | - | - | - |
| | Interest Expense | 0.04 | 0.29 | 0.31 | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 2.69 | 2.99 | - | - | - |
| | | | | | | |
| E | Govindbhai Patel | | | | | |
| | Opening Balance | - | - | 5.01 | 5.91 | 6.15 |
| | Loan Taken / (Repayment) | - | 5.00 | - | - | - |
| | Loan Given | - | - | - | - | - |
| | Remuneration Payable | - | - | 4.31 | - | - |
| | Interest Expense | - | 0.01 | 0.54 | 0.60 | 0.56 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 5.01 | 5.55 | 6.51 | 6.71 |
| | | | | | | |
| F | Hansaben S Patel | | | | | |
| | Opening Balance | - | 0.33 | 7.57 | 7.57 | - |
| | Loan Taken / (Repayment) | - | 6.50 | - | (8.34) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | 0.33 | 0.74 | - | 0.77 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 0.33 | 7.57 | 7.57 | - | - |
| | | | | | | |
| G | Jayeshkumar V Patel | | | | | |
| | Opening Balance | - | - | 8.17 | 9.49 | 11.03 |
| | Loan Taken / (Repayment) | - | 7.50 | - | - | (12.07) |
| | Loan Given | - | - | - | - | - |
| | Remuneration Payable | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|--------------------------------|-------------|-------------|-------------|--------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Excess Remuneration Paid | - | - | - | - | - |
| | Remuneration Paid | - | - | - | - | - |
| | Interest Expense | - | 0.67 | 1.32 | 1.54 | 1.05 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 8.17 | 9.49 | 11.03 | - |
| | | | | | | |
| H | Kinjalben Patel | | | | | |
| | Opening Balance | - | - | 4.51 | 9.34 | 10.34 |
| | Loan Taken / (Repayment) | - | 4.50 | 4.00 | - | (10.97) |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | 0.01 | 0.82 | 1.01 | 0.63 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 4.51 | 9.34 | 10.34 | - |
| | | | | | | |
| I | Kuvarben Babubhai Patel | | | | | |
| | Opening Balance | - | 2.01 | 2.34 | 2.72 | - |
| | Loan Taken / (Repayment) | 2.00 | - | - | (3.16) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | 0.01 | 0.33 | 0.38 | 0.43 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 2.01 | 2.34 | 2.72 | - | - |
| | | | | | | |
| J | Laxmiben A Patel | | | | | |
| | Opening Balance | - | - | 1.88 | 2.08 | - |
| | Loan Taken / (Repayment) | - | 1.75 | - | (2.30) | - |
| | Loan Given | - | - | - | - | - |
| | Rent Expense | 1.20 | 1.20 | - | - | - |
| | (Rent Paid) | (1.20) | (1.20) | - | - | - |
| | Interest Expense | - | 0.13 | 0.20 | 0.21 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 1.88 | 2.08 | - | - |
| | | | | | | |
| K | Maruti Packaging | | | | | |
| | Opening Balance | - | 10.09 | 11.73 | 7.83 | - |
| | Loan Taken / (Repayment) | 10.00 | - | (5.00) | (9.08) | - |
| | Loan Given | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|------------------------------------|--------------|--------------|-------------|-------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Interest Expense | 0.09 | 1.64 | 1.11 | 1.25 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 10.09 | 11.73 | 7.83 | - | - |
| | | | | | | |
| L | Monghiben Patel | | | | | |
| | Opening Balance | - | - | - | 7.00 | 7.00 |
| | Loan Taken / (Repayment) | - | - | 7.00 | - | (7.00) |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | - | - | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 7.00 | 7.00 | - |
| | | | | | | |
| M | Nirav Ravilal Bhagat | | | | | |
| | Opening Balance | - | - | - | 6.35 | - |
| | Loan Taken / (Repayment) | - | - | 6.35 | (6.35) | - |
| | Loan Given | - | - | - | - | - |
| | Remuneration | - | - | - | - | - |
| | Interest Expense | - | - | - | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 6.35 | - | - |
| | | | | | | |
| N | Nitaben A Patel | | | | | |
| | Opening Balance | - | - | 2.51 | 2.78 | - |
| | Loan Taken / (Repayment) | - | 2.50 | - | (3.06) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | 0.01 | 0.27 | 0.28 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 2.51 | 2.78 | - | - |
| | | | | | | |
| O | Pareshaben Govindbhai Patel | | | | | |
| | Opening Balance | - | - | 6.02 | 12.09 | 13.39 |
| | Loan Taken / (Repayment) | - | 6.00 | 5.00 | - | (14.21) |
| | Loan Given | - | - | - | - | - |
| | Remuneration | - | - | - | - | - |
| | Interest Expense | - | 0.02 | 1.07 | 1.31 | 0.82 |
| | Sales of Goods | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|-------------------------------|-------------|-------------|--------------|--------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Closing Balance | - | 6.02 | 12.09 | 13.39 | - |
| | | | | | | |
| P | Parmeshwar Timber Mart | | | | | |
| | Opening Balance | - | - | 8.17 | 9.49 | 11.03 |
| | Loan Taken / (Repayment) | - | 7.50 | - | - | (12.07) |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | 0.67 | 1.32 | 1.54 | 1.05 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 8.17 | 9.49 | 11.03 | - |
| | | | | | | |
| Q | Prahladbhai V Patel | | | | | |
| | Opening Balance | - | 3.26 | 3.61 | 6.06 | 6.71 |
| | Loan Taken / (Repayment) | 3.24 | - | - | - | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | 0.02 | 0.35 | 0.39 | 0.65 | 0.61 |
| | Remuneration Payable | - | - | 4.31 | - | - |
| | Paid for Office | - | - | 2.05 | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 3.26 | 3.61 | 6.06 | 6.71 | 7.32 |
| | | | | | | |
| R | Rameshbhai V Patel | | | | | |
| | Opening Balance | - | - | 7.17 | 24.42 | 37.56 |
| | Loan Taken / (Repayment) | - | 7.00 | 15.00 | 9.75 | - |
| | Loan Given | - | - | - | - | - |
| | Remuneration Payable | - | - | 4.31 | - | - |
| | Interest Expense | - | 0.17 | 2.25 | 3.40 | 3.40 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 7.17 | 24.42 | 37.56 | 40.97 |
| | | | | | | |
| S | Rekhaben Patel | | | | | |
| | Opening Balance | - | - | 4.51 | 10.42 | 11.54 |
| | Loan Taken / (Repayment) | - | - | - | - | - |
| | Loan Given | - | 4.50 | 5.00 | - | (12.25) |
| | Transfer to share Application | - | - | - | - | - |
| | Interest Expense | - | 0.01 | 0.91 | 1.13 | 0.70 |
| | Sales of Goods | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|-------------------------------|---------|-------------|--------------|--------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Closing Balance | - | 4.51 | 10.42 | 11.54 | - |
| | | | | | | |
| T | Savitriben R Patel | | | | | |
| | Opening Balance | - | - | 1.29 | 1.43 | - |
| | Loan Taken / (Repayment) | - | 1.25 | - | (1.58) | - |
| | Loan Given | - | - | - | - | - |
| | Transfer to share Application | - | - | - | - | - |
| | Interest Expense | - | 0.04 | 0.14 | 0.15 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 1.29 | 1.43 | - | - |
| | | | | | | |
| U | Sureshbhai A Patel | | | | | |
| | Opening Balance | - | - | - | - | - |
| | Loan Taken / (Repayment) | - | - | - | - | - |
| | Loan Given | - | - | - | - | - |
| | Transfer to share Application | - | - | - | - | - |
| | Remuneration | - | - | 2.46 | - | - |
| | Interest Expense | - | - | - | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | - | - | - |
| | | | | | | |
| U | Veljibhai Patel | | | | | |
| | Opening Balance | - | - | 3.64 | 11.79 | 40.30 |
| | Loan Taken / (Repayment) | - | 3.42 | 7.15 | 25.25 | - |
| | Loan Given | - | - | - | - | - |
| | Transfer to share Application | - | - | - | - | - |
| | Remuneration | - | - | 4.31 | - | - |
| | Interest Expense | - | 0.22 | 0.99 | 3.26 | 3.65 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | 3.64 | 11.79 | 40.30 | 43.95 |
| | | | | | | |
| V | Arjanbhai Patel | | | | | |
| | Opening Balance | - | - | - | 4.00 | - |
| | Loan Taken / (Repayment) | - | - | 4.00 | (4.00) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | - | - | - | - |

| Sr. No. | Nature of Transaction | Period | | | | |
|----------|--------------------------|-------------|-------------|-------------|-------------|----------------------|
| | | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Upto January 31 2015 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 4.00 | - | - |
| | | | | | | |
| W | Jignesh Patel | | | | | |
| | Opening Balance | - | - | - | 2.12 | 2.35 |
| | Loan Taken / (Repayment) | - | - | 2.10 | - | (2.50) |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | - | 0.02 | 0.23 | 0.15 |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 2.12 | 2.35 | - |
| | | | | | | |
| X | Kavitaben Patel | | | | | |
| | Opening Balance | - | - | - | 2.50 | 2.50 |
| | Loan Taken / (Repayment) | - | - | 2.50 | - | (2.50) |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | - | - | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 2.50 | 2.50 | - |
| | | | | | | |
| Y | Narendra Patel | | | | | |
| | Opening Balance | - | 5.04 | 5.85 | 6.80 | - |
| | Loan Taken / (Repayment) | 5.00 | - | - | (7.89) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | 0.04 | 0.82 | 0.95 | 1.09 | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | 5.04 | 5.85 | 6.80 | - | - |
| | | | | | | |
| Z | Ravi Patel | | | | | |
| | Opening Balance | - | - | - | 5.00 | - |
| | Loan Taken / (Repayment) | - | - | 5.00 | (5.00) | - |
| | Loan Given | - | - | - | - | - |
| | Interest Expense | - | - | - | - | - |
| | Sales of Goods | - | - | - | - | - |
| | Closing Balance | - | - | 5.00 | - | - |

ANNEXURE VII - SUMMARY OF ACCOUNTING RATIOS AS RESTATED

Amt. in lakhs

| Ratios | Year ended March, 31st 2011 | Year ended March, 31st 2012 | Year ended March, 31st 2013 | Year ended March, 31st 2014 | Period ended January 31, 2015 |
|--|-----------------------------------|--------------------------------------|---|---|--|
| Restated PAT as per P&L Account (A) | (3.92) | 29.00 | 87.06 | 112.29 | 144.09 |
| Number of Equity Shares at the end of the Year (B) | 19.95 | 19.95 | 22.50 | 29.00 | 29.00 |
| Weighted Average Number of Equity Shares at the end of the Year (C) | 0.93 | 19.95 | 20.41 | 26.83 | 29.00 |
| Net Worth (D) | 195.58 | 224.58 | 337.16 | 514.45 | 656.74 |
| Earnings Per Share (A/C) | | | | | |
| Basic & Diluted | (4.23) | 1.45 | 4.27 | 4.19 | 4.97 |
| Return on Net Worth (%) | -2.00 | 12.91 | 25.82 | 21.83 | 21.94 |
| Net Asset Value Per Share (Rs) (D/B) | 9.80 | 11.26 | 14.98 | 17.74 | 22.65 |
| Nominal Value per Equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |

Net Asset Value = Net Worth / Number of Equity Shares at the end of the year

EPS = Restated PAT / Weighted Average Number of Equity Shares at the end of the year

ANNEXURE VIII - RECONCILIATION OF RESTATED PROFIT

Amt. in lakhs

| Adjustments for | Year ended March, 31st 2011 | Year ended March, 31st 2012 | Year ended March, 31st 2013 | Year ended March, 31st 2014 | Period ended January 31, 2015 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | - | 13.3441 | 62.70 | 86.51 | 142.55 |
| <u>Adjustments for:</u> | | | | | |
| Prior period expenses adjusted | (0.0680) | 0.0680 | - | - | - |
| Provision for gratuity | - | (0.53) | (0.35) | (2.33) | - |
| Preliminary Expense | (3.85) | 0.7698 | 0.77 | 0.77 | 1.54 |

| Adjustments for | Year ended March, 31st 2011 | Year ended March, 31st 2012 | Year ended March, 31st 2013 | Year ended March, 31st 2014 | Period ended January 31, 2015 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|
| Adjusted | | | | | |
| MAT Credit Adjustment | - | 15.3463 | 23.95 | 27.34 | - |
| Taxes adjusted in Current period | - | - | - | - | - |
| Net Profit/ (Loss) After Tax as Restated | (3.92) | 29.00 | 87.06 | 112.29 | 144.09 |



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended 2014, 2013 and 2012 and period ended January 31, 2015 prepared in accordance with the Companies Act 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 the section titled "*Financial Statements*" on page 175 of this Prospectus.

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*" on pages 17 and 15, of this Prospectus beginning respectively.

Our Company was incorporated on March 19, 2010 and has only completed five years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended 31st March, 2014, 2013 and 2012 and for the period ended January 31, 2015.

Overview

Incorporated in Ahmedabad, in the year 2010, our Company is one of the leading manufacturers of mid segment decorative laminates and door skins. Within a short period of our existence, we have garnered 8% market share in 1MM mid segment brands, which is segment second highest, as per survey by Ply Reporter Magazine in the year 2014. We market laminates under brands like Antique, Art Lam, Antique Aurum, Antique colourcore and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch All our brands are owned by our company.

Our Company has BIS Certification Marks License No CM/L 3792388 and all our products are IS 2046 : 1995 compliant in terms of quality. With approximately 1,152 designs in laminates and 429 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have long experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in short period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 20 distributors and 2545 dealers, we serve both industrial and consumer applications and have been able to establish a presence in west and south India.

Our manufacturing process involves Phenol and Formaldehyde as raw material. These chemicals are heated to form Polymeric resin of Phenol Formaldehyde. We use Methanol as solvent and layers of these resins are applied on Decorative Paper. These papers are cut and several layers of such papers are joined according to the required thickness. BOOP film is placed for separating the layers of two adjoining sheets and pressure is applied thereafter to form proper structure. Hydraulic pressure is

also applied through multi opening hydraulic press at high temperature to create proper mould. Such laminated sheets are trimmed from all four sides and each sheet is sanded from the back for proper bonding. These laminated sheets are packed and then dispatched.

Our Company believes in emerging technologically. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and ios platform which is available for download for free in Google Play Store and Apple Store.

With the initiative of going online, launching of mobile application, experience of promoters, strong network of dealers and distributors, presence in the different parts of the country, varied design portfolio, our company aims to focus on adopting innovative manufacturing approaches to meet our client's expectations, quality and become leaders laminate industry.

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 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. M/s. Mistry & Shah, Chartered Accountants, have been appointed as Peer Reviewed Auditors of Company from February 25, 2015
2. The authorized share capital as on March 31, 2014 was Rs. 2,90,00,000 (Rupees Two Crore Ninety Lakh Only) consisting of 29,00,000 Equity Shares of Rs. 10/- each which was increased to 4,25,00,000 (Rupees Four Crore Twenty Five Lakh Only) consisting of 42,50,000 Equity Shares of face value Rs. 10/- each pursuant to a resolution of the shareholders dated March 17, 2015 respectively.
3. We have passed a special resolution on July 24, 2014 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 2500 lakhs over and above paid up capital and free reserves of the Company and also authorized them to provide requisite security.
4. We have passed a special resolution on March 27, 2015 to authorize the Board of Directors to raise funds by making an initial public offering.
5. We have appointed Govindbhai Patel as the Managing Director and Rameshbhai Patel, as Whole-time Directors of the Company with effect from March 26, 2015 for a term of 3 years.
6. We have appointed Paresh Patel, Abhishek Patel and Vinod Patel as Independent Director on the Board of the Company with effect from March 27, 2015 for a term of 5 years
7. We have appointed Monghiben Patel as Non Executive on the Board of the Company on March 27, 2015
8. We have appointed Nisha Jha as Company Secretary and Compliance Officer of Our Company on March 26, 2015.
9. We have appointed cum promoted Bhavesh Patel as Chief Financial Officer of our Company with effect from March 26, 2015.



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 17 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- **Competition from unorganised player and threat from national/regional players and cheaper substitute**

The laminate industry is highly fragmented with an unorganized sector forming a significant portion which leads to cheaper products entering the market. Also there are newer substitutes emerging like plastic which is replacing laminates in its various applications. With the reduction in trade barriers there is an increase production of cheaper products and copying of designs which pose a competition to the existing domestic organized players. This may directly impact the Company's operations.

Cheaper and substandard products are prevalent in every market segment. These products cater to a different segment of the market and do not impact our market share. With growing preference of the customers for branded/better quality products, there is an assured market for the products of our Company.

- **Over dependence on imported raw materials may affect profitability**

Major raw materials used for production of laminates include phenol, formaldehyde, melamine and decorative papers majority of which are purchased by us from domestic importers of such products. Over dependence on imports and unavailability of such products from domestic producers may adversely affect our profitability in case the trade relations of India with any of countries from where raw materials are imported get strained in the future or the suppliers face any sort of problems due to internal issues of producing countries. Also significant Exchange rate fluctuations may affect the Company's business as it may alter the costs of the imports significantly.

- **Limited number of raw material supplier**

There are a very few suppliers from which raw materials like phenol, formaldehyde and melamine and they may allocate their resources to service other clients ahead of us. Any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

- **Our ability to successfully implement our strategy**

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy may not provide us our estimated outcome.

- **Industry Growth**

Our business is dependent on real estate industry and also on changing needs of consumer. In case of any changing customer requirements and tastes, our inability to comply with such needs or preferences may affect our business.

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 period ended January 31, 2015 and years ended March 31, 2014, 2013 and 2012.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our principal component of income is from sale of laminates manufactured by us. Our Company follows negotiated price mechanism. We quote on the basis of requirements received from our distributors.

Other Income:

Our other income mainly includes interest income and miscellaneous receipts on one occasion.

(Rs. In Lakhs)

| Particulars | Till March 31, | | | Till January 31, 2015 |
|-------------------------|-----------------|-----------------|-----------------|--------------------------|
| | 2012 | 2013 | 2014 | |
| Income | | | | |
| Revenue from Operations | 1,370.79 | 2,047.10 | 3,554.84 | 3,126.71 |
| As a % of Total Revenue | 100 | 99.93 | 99.94 | 100.00 |
| Other Income | 0 | 1.43 | 2.22 | 0.11 |
| As a % of Total Revenue | 0 | 0.07 | 0.06 | 0.00 |
| Total Revenue | 1,370.79 | 2,048.54 | 3,557.06 | 3,126.82 |

Expenditure

Our total expenditure primarily consists of consumption of raw materials for manufacturing process, employee benefit expenses, financial cost, depreciation & amortization and other expenses.

Cost of raw Material

Cost of raw material consumed comprises of the expenses for purchase of Phenol, Formaldehyde, Melamine, Decorative Paper and Kraft Paper

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees, contribution to provident fund etc.

Financial Cost

Our financial cost includes interest on term loans, cash credit facility, depositors, car loan, office loan and other financial charges.

Depreciation

Depreciation includes depreciation on tangible assets such as plant and machinery, factory building, furniture & fixtures etc. and amortisation of intangible assets such as trademark.

Other Expenses

Other expenses mainly include purchase of power & Fuel, purchase of stores and spares, factory rent, sales and promotion expenses and advertisement expenses.

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, | | | For the Period ended January 31, |
|---|------------------------------|----------|----------|----------------------------------|
| | 2012 | 2013 | 2014 | 2015 |
| INCOME | | | | |
| Revenue from Operations | 1,370.79 | 2,047.10 | 3,554.84 | 3,126.71 |
| As a % of Total Revenue | 100.00 | 99.93 | 99.94 | 100.00 |
| Other Income | 0.00 | 1.43 | 2.22 | 0.11 |
| As a % of Total Revenue | 0.00 | 0.07 | 0.06 | 0.00 |
| Total Revenue (A) | 1,370.79 | 2,048.54 | 3,557.06 | 3,126.82 |
| Growth % | | 49.44 | 73.64 | (12.10) |
| EXPENDITURE | | | | |
| Cost of materials consumed | 1,139.12 | 1,579.38 | 2,867.71 | 2,355.43 |
| As a % of Total Revenue | 83.10 | 77.10 | 80.62 | 75.33 |
| Changes in inventories of finished goods and traded goods | (118.64) | (56.02) | (22.03) | (16.20) |
| As a % of Total Revenue | (8.66) | (2.73) | (0.62) | (0.52) |
| Employee benefit Expenses | 16.09 | 70.78 | 123.00 | 125.90 |
| As a % of Total Revenue | 1.17 | 3.46 | 3.46 | 4.03 |
| Finance costs | 94.47 | 119.11 | 114.07 | 127.69 |
| As a % of Total Revenue | 6.89 | 5.81 | 3.21 | 4.08 |
| Depreciation and Amortization expense | 29.43 | 38.13 | 49.27 | 40.58 |
| As a % of Total Revenue | 2.15 | 1.86 | 1.39 | 1.30 |
| Other Expenses | 129.48 | 174.82 | 289.04 | 282.17 |
| As a % of Total Revenue | 9.45 | 8.53 | 8.13 | 9.02 |
| Total Expenses (B) | 1,289.94 | 1,926.20 | 3,421.06 | 2,915.57 |
| As a % of Total Revenue | 94.10 | 94.03 | 96.18 | 93.24 |
| Profit before tax (A-B) | 80.85 | 122.34 | 136.00 | 211.25 |
| As a % of Total Revenue | 5.90 | 5.97 | 3.82 | 6.76 |
| Prior period items (Net) | | | | |
| Profit before exceptional, extraordinary | 80.85 | 122.34 | 136.00 | 211.25 |

| Particulars | For the Year Ended March 31, | | | For the Period ended January 31, |
|---|------------------------------|---------|---------|----------------------------------|
| | 2012 | 2013 | 2014 | 2015 |
| items and tax | | | | |
| As a % of Total Revenue | 5.90 | 5.97 | 3.82 | 6.76 |
| Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before extraordinary items and tax | 80.85 | 122.34 | 136.00 | 211.25 |
| As a % of Total Revenue | 5.90 | 5.97 | 3.82 | 6.76 |
| Extraordinary items | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before tax | 80.85 | 122.34 | 136.00 | 211.25 |
| PBT Margin | 5.90 | 5.97 | 3.82 | 6.76 |
| Tax expense : | | | | |
| (i) Current tax | 16.50 | 25.20 | 28.30 | 53.01 |
| (ii) Deferred tax | 50.69 | 34.03 | 22.75 | 14.15 |
| (iii) MAT Credit | (15.34) | (23.95) | (27.34) | 0.00 |
| Total Tax Expense | 51.85 | 35.28 | 23.70 | 67.16 |
| Profit for the year/ period | 29.00 | 87.06 | 112.29 | 144.09 |
| PAT Margin | 2.12 | 4.25 | 3.16 | 4.61 |

REVIEW OF TEN MONTHS ENDED JANUARY 31, 2015

INCOME

Income from Operations

Our income from operations was Rs. 3,126 lakhs which is almost 100.00 % of our total revenue for the ten months ended January 31, 2015.

Other Income

Our other income was Rs. 0.11 lakhs which is almost negligible of our total revenue for the ten month ended January 31, 2015.

EXPENDITURE

Cost of material consumed

Our cost for materials consumed was Rs. 2,355.43 lakhs which is 75.33 % of our total revenue for the ten month ended January 31, 2015.

Changes in inventories of finished goods and traded goods

Our changes in inventories of finished goods and traded goods were Rs. -16.20 lakhs which was - 0.52% of our total revenue for the ten months ended January 31, 2015.



Employee Benefits Expenses

Our employee benefits expenses were Rs. 125.90 lakhs which was 4.03 % of our total revenue for the ten months ended January 31, 2015.

Financial Cost

Our financial cost was Rs. 127.69 lakhs which is 4.08% of our total revenue for the ten months ended January 31, 2015.

Depreciation and Amortization

Our depreciation and amortization expenses were Rs. 40.48 lakhs which is 1.30 % of our total revenue for the ten month ended January 31, 2015.

Other Expenses

Our other expenses were Rs. 282.17 lakhs which is 9.02 % of our total income for the ten months ended January 31, 2015.

PROFIT BEFORE TAX

Our profit before tax was Rs. 211.25 lakhs which is 6.76 % of our total revenue for the ten months ended January 31, 2015.

NET PROFIT AFTER TAX

Our restated net profit was Rs. 144.09 lakhs for the ten months ended January 31, 2015.

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

INCOME

Operating Income

| Particulars | 2012-2013 | 2013-2014 | Variance |
|------------------|-------------|-------------|----------|
| | (Rs. Lakhs) | (Rs. Lakhs) | (%) |
| Operating Income | 2,047.10 | 3,554.84 | 73.65 % |

The operating income of the Company for the year ending March 31, 2014 is Rs. 3554.84 lakhs as compared to Rs. 2047.10 lakhs for the year ending March 31, 2013, showing an increase of 73.65 %. The increase in sales was due to our commissioning of new press and increase in marketing.

Other Income

Our other income increased by 54.98 % from Rs. 1.43 Lakhs to Rs. 2.22 Lakhs.

DIRECT EXPENDITURE

| Particulars | 2012-2013 | 2013-2014 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Cost of material consumed | 1,579.38 | 2,867.71 | 81.57 % |

The direct expenditure has increased from Rs. 1,579.38 lakhs in Financial Year 2012-2013 to Rs. 2,867.71 lakhs in Financial Year 2013-2014 showing an increase of 81.57 % over the previous year.

The increase was due to higher sale by 73.65% during the Financial Year 2013-2014 as compared to Financial Year 2012-13.

ADMINISTRATIVE AND EMPLOYEE COSTS

| Particulars | 2012-2013 | 2013-2014 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Employee Benefit Expenses | 70.78 | 123.00 | 73.78% |
| Other Expenses | 174.82 | 289.04 | 65.34% |

There is an increase in employee benefit expenses from Rs. 70.78 lakhs to Rs. 123 lakhs was due to increase in number of employees and salaries

Other expenses mainly include purchase of power & Fuel, purchase of stores and spares, factory rent, sales and promotion expenses and advertisement expenses.

The other expenses have increased from Rs. 174.82 lakhs in March 31, 2013 to Rs. 289.04 lakhs in March 31, 2014 showing an increase in cost of Rs. 114.22 lakhs over last year. The increased other expenses has been allocated to stores and spares, fuel expenses in form of coal purchase, sales promotion expenses, etc.

FINANCE CHARGES

The finance charges for the period Financial Year 2013-2014 decreased marginally to Rs. 114.07 lakhs from Rs. 119.11 lakhs during Financial Year 2013-2014.

DEPRECIATION AND AMORTIZATION

Depreciation and Amortization for the Financial Year 2013-2014 has increased to Rs. 49.27 lakhs as compared to Rs. 38.13 lakhs for the Financial Year 2012-2013.

PROFIT BEFORE TAX

| Particulars | 2012-2013 | 2013-2014 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Profit Before Tax | 122.34 | 136.00 | 11.16% |

Profit before tax increased slightly by 11.16 % from Rs. 122.34 lakhs to Rs. 136.00 lakhs. As percentage of total revenue, profit before tax has decreased from 5.97 % in FY 2013 to 3.82 % in FY 2014 showing decrease of 2.15 %.

PROVISION FOR TAX AND NET PROFIT

| Particulars | 2012-2013 | 2013-2014 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Taxation Expenses | 35.28 | 23.70 | 32.81% |
| Profit after Tax | 87.06 | 112.29 | 28.98% |

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

INCOME

Operating Income

| Particulars | 2011-2012 | 2012-2013 | Variance |
|------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Operating Income | 1,370.79 | 2,047.10 | 49.34% |

The operating income of the Company for the year ending March 31, 2013 was Rs. 1,370.79 lakhs as compared to Rs. 2,047.10 lakhs for the year ending March 31, 2012, showing an increase of 49.34 % due to increase sales from our distributor network.

Other Income

There was no other Income during the Financial Year 2011-12. During the Financial Year 2012-13 other income was of Rs. 1.43 lakhs.

DIRECT EXPENDITURE

| Particulars | 2011-2012 | 2012-2013 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Cost of material consumed | 1,139.12 | 1,579.38 | 38.65% |

The direct expenditure has increased from Rs. 1,139.12 lakhs in FY 2011-12 to Rs. 1,579.38 lakhs in FY 2012-13 showing an increase of 38.65 % over the previous year. There is an increase of 38.65 % in Direct Expenditure when compared with an increase of 49.34 % in Operating Income.

ADMINISTRATIVE AND EMPLOYEE COSTS

| Particulars | 2011-2012 | 2012-2013 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Employee Benefit Expenses | 16.09 | 70.78 | 339.88% |
| Other expenses | 129.48 | 174.82 | 35.02% |

Employee Benefit Expenses in financial year 2012-2013 have increased by 339.88% to Rs. 70.78 lakhs as against Rs. 16.09 lakhs in financial year 2011-2012. The significant increase is due to increase in wages and number of employees.

Other expenses increased from Rs. 129.48 lakhs in FY 2011-12 to Rs. 174.82 lakhs in FY 2012-13 showing an increase in cost of Rs. 45.34 lakhs over previous year. Significant increase in Other expenses mainly include remuneration paid to directors, purchase of power & Fuel, purchase of stores and spares, factory rent, sales and promotion expenses and advertisement expenses.

FINANCE CHARGES

The finance charges for the Financial Year 2012- 2013 increased to Rs. 119.11 lakhs from Rs. 94.47 lakhs during the financial year 2011-2012.

DEPRECIATION AND AMORTIZATION

Depreciation and Amortization for the year FY 2012-13 has increased to Rs. 38.13 lakhs as compared to Rs. 29.43 lakhs for the period 2011-12.

PROFIT BEFORE TAX

| Particulars | 2011-2012 | 2012-2013 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Profit Before Tax | 80.85 | 122.34 | 51.32% |

The Profit Before Tax has increased to Rs. 122.34 lakhs from Rs. 80.85 lakhs showing an increase of 51.32 %.

PROVISION FOR TAX AND NET PROFIT

| Particulars | 2011-2012 | 2012-2013 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Taxation Expenses | 51.85 | 35.28 | 31.96% |
| Profit after Tax | 29.00 | 87.06 | 200.21% |

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 17 of this Prospectus 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 disclosed in the section titled “Risk Factors” beginning on 17 of this Prospectus 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 of raw materials.

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

Increase in revenue is by and large linked to increases in volume of business activity by the Company.



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

The Company is operating in Laminate industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 107 of this Prospectus.

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

Our Company has not announced any new product and segment, other than disclosed in the Prospectus.

8. The extent to which the business is seasonal

Our Company's 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 finished goods / traded goods cost respectively as March 31, 2014 is as follows:

| | Customers | Suppliers |
|------------|-----------|-----------|
| Top 5 (%) | 64.40 | 40.37 |
| Top 10 (%) | 76.12 | 60.86 |

10. Competitive Conditions

We face competition from existing and potential unorganized 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 120 of this Prospectus

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and financial institutions, for conducting its business. Set forth below is a brief summary of our Company's secured borrowings from banks and financial institutions together with a brief description of certain significant terms of such financing arrangements

A. Secured Borrowings

1. Loan of Rs. 1166.87 lakhs from The Ahmedabad Mercantile Co-op Bank Ltd

| Facility | Cash Credit | Term Loan I | Term Loan II | Term Loan III | LC Open (Foreign Documentar y + Local) |
|------------------------------|---|---|---|---|--|
| Amount | Rs. 500 Lakhs | Rs.225 Lakhs | Rs.150.21 Lakhs | Rs.91.66 Lakhs | Rs. 200 Lakhs |
| Interest Rate (per annum) | 13% | 13% (for first 36 months and on floating basis thereafter) | 13% (for first 36 months and on floating basis thereafter) | 13% (for first 36 months and on floating basis thereafter) | Commission/ Exchange as per FEDAI Rules |
| Repayment Schedule | New for 12 months with 100% interchangeability | 35 months | 52 months | 64 months | Usance 120 Days |
| Margin | 30% on Hypothecation of Stocks | NA | NA | NA | 25% (Cash Margin) |
| | 40% on Book Debts | | | | |
| Security | Hypothecation 1. Hypothecation of all present and future current assets including raw materials, semi finished goods, finished goods, stores and spares, book debts, chemicals, adhesives etc. 2. Hypothecation of stock and book debt Mortgage 1. Industrial property owned by Smt. Monghiben Patel situated at Survey No. | | | | |

| | | |
|--|---|--|
| | <p>309, Zak FIDC, Opp. Onset Way Bridge, Opp. Jay Ganesh Ply Industries, Village: Zak, Ta: Dehgam, Dist. Gandhinagar. Land area 8195.00 Sq. Mtr. & built up area 4711.00 Sq. Mtr</p> <p>2. Industrial Property owned. by Smt. Monghiben Patel situated at Survey No. 311, Zak FIDC, Opp. Onset Way Bridge, Opp. Jay Ganesh Ply Industries, Village: Zak, Ta: Dehgam, Dist. Gandhinagar. Land area 5767.00 sq. Mtr</p> <p>3. Residential property owned by Shri Govindbhai V. Patel & Shri Prahladbhai V. Patel situated at 55/2, Mohannagar Society, Munshi Compound, Naroda, Ahmedabad. Land area 157.51 Sq. Yds. & built up area 71.76 Sq. Yds</p> <p>Guarantee</p> <p>1. Personal Guarantee of All Directors of Company</p> <p>2. Personal Guarantee of All property holders who have given their property as collateral security</p> | |
|--|---|--|

Restrictive Covenants

- Company shall not make any change in the management set-up/ capital structure of the company, without consulting the Bank.
- Company shall undertake not to divert funds outside business in the form of investment, loan/advances to group limits or withdrawal through capital/unsecured deposit account.
- Company must contact Bank for their future financial needs. NOC must be obtained from bank before availing any financial accommodation from any financial institution/ bank.
- Sanctioned limit should not be utilized in the repayment of loans with other Bank/ FI.

2. Car Loan facility for Toyota Innova of Rs. 10.76 lakhs sanctioned by Kotak Mahindra Bank

| | |
|---------------------------|--|
| Facility | Car Loan |
| Sanctioned Amount | Rs. 10.76 lakhs |
| Interest Rate | 12.54 % |
| Security | Secured by lien on Toyota Innova under Hire Purchase Agreement |
| Period | 59 Monthly Instalments |
| Amount of Each Instalment | Rs. 24,450 per month |

3. Car Loan facility for Audi of Rs. 23.00 lakhs sanctioned by The Ahmedabad Mercantile Co-Op Bank Ltd

| | |
|-------------------|---|
| Facility | Car Loan |
| Sanctioned Amount | Rs. 23.00 lakhs |
| Interest Rate | 10 % |
| Security | Secured by lien on Audi Car under Hire Purchase |

| | |
|---------------------------|------------------------|
| | Agreement |
| Period | 60 Monthly Instalments |
| Amount of Each Instalment | Rs. 48,868 per month |

4. Loan facility for Office of Rs. 21.35 lakhs sanctioned by HDB Financial Services Limited

| | |
|---------------------------|-------------------------------------|
| Facility | Secured Loan for Office Premises |
| Sanctioned Amount | Rs.21.35 lakhs |
| Interest Rate | 14.50 % |
| Security | Secured by lien on Office Premises. |
| Period | 84 Monthly Instalments |
| Amount of Each Instalment | Rs. 40,602 per month |

5. Unsecured Business Loan facility of Rs. 35.35 lakhs sanctioned by Bajaj Finserv Limited

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 35.35 Lakhs |
| Interest Rate | 19.25 % |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,78,625 per month |

6. Unsecured Business Loan facility of Rs. 22.25 lakhs sanctioned by Tata Capital Financial Services Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 22.25 Lakhs |
| Interest Rate | 18.50 % |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,11,619 per month |

7. Unsecured Business Loan facility of Rs. 50.00 lakhs sanctioned by Indusind Bank Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 50.00 Lakhs |
| Interest Rate | 18.50% |
| Security | NA |
| Period | 18 Monthly Instalments |
| Amount of Each Instalment | Rs. 3,20,222 per month |

8. Unsecured Business Loan facility of Rs. 34.75 lakhs sanctioned by Religare Finvest Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 34.75 Lakhs |
| Interest Rate | 19.26% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,75,609 per month |

9. Unsecured Business Loan facility of Rs. 25.00 lakhs sanctioned by Shriram City Union Finance Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 25.00 Lakhs |
| Interest Rate | 20.00% |
| Security | NA |
| Period | 18 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,61,908 per month |

10. Unsecured Business Loan facility of Rs. 20.00 Lakhs sanctioned by HDFC Bank*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 20.00 Lakhs |
| Interest Rate | 16.75% |
| Security | NA |
| Period | 48 Monthly Instalments |
| Amount of Each Instalment | Rs. 57,452 per month |

11. Unsecured Business Loan facility of Rs. 35.00 lakhs sanctioned by The Ratnakar Bank Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 34.00 Lakhs |
| Interest Rate | 18.50% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,75,582 per month |

12. Unsecured Business Loan facility of Rs. 33.50 lakhs sanctioned by Magma Fincorp Limited*

| | |
|-------------------|-----------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 33.50 Lakhs |

| | |
|---------------------------|------------------------|
| Interest Rate | 19.50% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,69,685 per month |

13. Unsecured Business Loan facility of Rs. 27.40 lakhs sanctioned by Kotak Mahindra Bank Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 27.40 Lakhs |
| Interest Rate | 18.50% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,37,460 per month |

14. Unsecured Business Loan facility of Rs. 50.68 lakhs sanctioned by Fullerton India Credit Company Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 50.68 Lakhs |
| Interest Rate | 18.47% |
| Security | NA |
| Period | 36 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,80,688 per month |

15. Unsecured Business Loan facility of Rs. 30.12 lakhs sanctioned by Edelweiss Retail Finance Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 30.12 Lakhs |
| Interest Rate | 18.50% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 1,51,090 per month |

16. Unsecured Business Loan facility of Rs. 17.25 lakhs sanctioned by Capital First Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 17.25 Lakhs |
| Interest Rate | 18.75% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 86,746 per month |

17. Unsecured Business Loan facility of Rs. 19.20 lakhs sanctioned by Bajaj Finserv Limited*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 19.20 Lakhs |
| Interest Rate | 19.00% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 96,785 per month |

18. Unsecured Business Loan facility of Rs. 50.00 lakhs sanctioned by Deutsche Bank AG*

| | |
|---------------------------|------------------------|
| Facility | Unsecured Loan |
| Sanctioned Amount | Rs. 50.00 Lakhs |
| Interest Rate | 18.00% |
| Security | NA |
| Period | 24 Monthly Instalments |
| Amount of Each Instalment | Rs. 2,49,621 per month |

* These loans have been availed after January 31, 2015

B. Unsecured Borrowing as on January 31, 2015

| Sr. No | Name of Lender | Category | Loan Amount (Rs. In Lakhs) |
|--------|-------------------|----------------|----------------------------|
| 1. | Govindbhai Patel | Promoter | 6.71 |
| 2. | Prahladbhai Patel | Promoter Group | 7.32 |
| 3. | Rameshbhai Patel | Promoter Group | 40.97 |
| 4. | Vejlibhai Patel | Promoter | 43.95 |
| | Total | | 98.94 |

Unsecured Loans may be recalled by the lenders at any time and the rate of interest shall be such as may be mutually decided.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below and other than as disclosed elsewhere in this Prospectus (i) there are no winding up petitions, outstanding litigation including, but not limited to, suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, Directors, Promoter and Group Entities or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors, Promoter or Group Entities.

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

I. LITIGATION INVOLVING OUR COMPANY

1. Outstanding Litigation

Criminal Proceedings

Save as set out below, there are no criminal proceedings initiated against our Company.

Civil Proceedings

Save as set out below, there are no civil proceedings initiated against our Company.

Cases Relating to Taxation Laws

- a. The Company has filed an appeal against an order passed under Section 143 (3) of the Income Tax Act, 1961 dated January 31, 2015 for the assessment year 2012-2013 before the Honorable Commissioner of Income Tax (Appeals)-I, Ahmedabad on 09 March 2015. The order under Section 143(3) of the Income Tax Act, 1961 disallowed the Company's initial claim for depreciation of Rs.2,12,611/- on a motor car owned by Veljibhai Patel but used for business purposes. The order also held a sum of Rs. 20,939/- received from employees towards their provident fund which was not deposited in due time to be income under Section 2(24)(x) read with Section 36 (1)(va) of the Income Tax Act, 1961. The order disallowed depreciation on items that the assessing officer did not consider to be a part of plant and machinery to a tune of Rs.2,53,559/-. The assessing officer also disallowed Rs.85,260/- which was paid as interest on loan citing it to be in excess of market value. The assessing officer in the order also disallows a sum of Rs.1,37,500/- under Section 40(a)(ia) of the Income Tax Act, 1961. As a result the assessed loss of the Company has been calculated as Rs.78,88,609/- instead of 83,44,918/-. The Company is also liable under the order for charge of interests under Sections 234A, 234B, 234C, 234D



as may be applicable along with penalty under section 271 (1)(c) of the Income Tax Act, 1961 for furnishing inaccurate particulars of income.

2. Proceedings Initiated Against Our Company For Economic Offences

There are no proceedings initiated against our Company for any economic offences.

3. Past Penalties Imposed On Our Company

There have been no penalties imposed on our Company in the past.

4. Pending Notices Against Our Company

- a. The Company has been served with a notice for audit assessment under Section 34 (2) of the Gujarat Value Added Tax, Act, 2003 for the assessment year 2012-2013 dated 10 March 2015 to be present before the Assistant Commissioner of Commercial Tax with all necessary evidence to support the self-assessment made by the Company.
- b. The Company has been served with a notice under Rule 9(4) of the Central Sales Tax (Gujarat) Rules, 1970 for the assessment year 2012-2013 dated 10 March 2015 to be present before the Assistant Commissioner of Commercial Tax with all necessary evidence to support the return made by the Company and to show cause as to why the Company should not be reassessed to tax and penalty under Section 9 of the Central Sales Tax Act, 1956.
- c. The Company has made short deductions of Tax Deducted at Source ('TDS') and is , consequently in default under Section 201 of the Income Tax Act, 1961. Similarly, the Company has delayed in filing of its TDS return and is consequently, required to pay a total sum of Rs. 22,564.86 under Sections 234E and 220 (2) of the Income Tax Act, 1961 for the financial years 2011-12, 2012-13, 2013-14, 2014-2015 as evidenced by the Form 26AS available on the website of the Income Tax Department. However, the Company has not received any notice of default from the Income Tax Department till date.

5. Material Developments Since The Last Balance Sheet Date

Except as stated in this Prospectus, there are no material developments since the date of the last balance sheet of our Company.

6. Outstanding Litigation Against Other Companies Whose Outcome Could Have An Adverse Effect On Our Company

There is no outstanding litigation against other companies whose outcome could have an adverse effect on our Company.

7. Adverse Findings Against Our Company And Any Persons Or Entities Connected With Our Company As Regards Non Compliance With Securities Laws

There are no adverse findings involving our Company and any persons or entities connected with our Company as regards non compliance with securities law.

8. Disciplinary Action Taken By SEBI Or Stock Exchanges Against Our Company

There is no disciplinary action taken by SEBI or stock exchanges against our Company.

9. Defaults Including Non-Payment Or Statutory Dues, Over-Dues To Banks Or Financial Institutions

Except as stated in the section “Financial Statements” beginning on page 175 of this Prospectus, there are no defaults including non-payment or statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoter and Group Entities and defaults in creation of full security as per the terms of issue or other liabilities.

10. Details Of Any Inquiry, Inspection Or Investigation Initiated Or Conducted Under The Companies Act, 2013 Or The Previous Companies Law

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Company in the last five years, and no prosecution has been filed, or fines imposed, or compounding done by our Company under the Companies Act, 2013 or the Companies Act, 1956 in the last five years.

II. LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

1. Outstanding Litigation

There are no other outstanding litigation involving our Directors including criminal prosecutions or civil proceedings involving our Directors, and there are no material defaults, violation of statutory regulations or non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks/financial institutions by our Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V of the Companies Act, 2013), except as disclosed in the sub section “*Litigation involving our Company*” on page 231 of this Prospectus.

2. Past Penalties Imposed On Our Directors

There are no past penalties imposed on our Directors.

3. Proceedings initiated against our Directors for economic offences

There are no proceedings initiated against our Directors for any economic offences.

4. Tax proceedings initiated against our Directors

Govindbhai Veljibhai Patel has been served with a notice under section 143(2) of the Income Tax Act, 1961 by the Income Tax Officer Ward 6(1) Ahmedabad dated 04 September 2014 for the assessment year 2013-14 requiring him to be present before the Income Tax Officer with all necessary evidence to support the return filed by him.

5. Directors On The List Of Willful Defaulters Of RBI

None of our Directors or any entity with which our Directors are or have been associated as director, promoter, partner and/or proprietor have been declared willful defaulters by RBI either in the past or present.

III. LITIGATION INVOLVING OUR PROMOTER

1. Outstanding Litigation Against Our Promoter

There are no outstanding litigation proceedings involving our Promoter, including criminal prosecutions or civil proceedings, and there are no material defaults, non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks or financial institutions by our Promoter (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of part I of Schedule V of the Companies Act, 2013).

2. Outstanding Litigation Filed By Our Promoter

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Promoter.

3. Past Penalties Imposed On Our Promoter

There are no past penalties imposed on our Promoter.

4. Litigation/ Legal Action Pending or Taken by Any Ministry or Department of the Government or a Statutory Authority against Any Promoter.

No litigation/ legal action is pending or has been taken by any Ministry or Department of the Government of India or any statutory authority against our Promoter in the last five years.

5. Proceedings Initiated Against Our Promoter For Economic Offences

There are no proceedings initiated against our Promoter, for any economic offences.

6. Tax proceedings initiated against our Promoter

- a. Govindbhai Patel has been served with a notice under section 143(2) of the Income Tax Act, 1961 by the Income Tax Officer Ward 6(1) Ahmedabad dated 04 September 2014 for the assessment year 2013-14 requiring him to be present before the Income Tax Officer with all necessary evidence to support the return filed by him.

- b. Veljibhai Patel has been served with a notice under section 143(2) of the Income Tax Act, 1961 by the Income Tax Officer Ward 6(1) Ahmadabad dated 03 September 2014 for the assessment year 2013-14 requiring him to be present before the Income Tax Officer with all necessary evidence to support the return filed by him.

7. Criminal Proceedings Initiated Against Our Promoter

There are no criminal proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

8. Litigation/Defaults In Respect Of Companies/Firms/Ventures With Which Our Promoter is Associated In The Past

There are no Litigation/Defaults In Respect Of Companies/Firms/Ventures With Which Our Promoter was Associated In The Past

9. Adverse Findings Against Any Persons/Entities Connected With Our Promoter As Regards Non Compliance With Securities Laws

There are no adverse findings involving any persons or entities connected with our Promoter with regard to non compliance with securities law.

10. Civil proceedings initiated against our Promoter

There are no civil proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

11. Litigation against our Promoter for violation of statutory regulations

There are no pending litigation proceedings initiated against our Promoter for violation of statutory regulations as on the date of this Prospectus.

IV. LITIGATION INVOLVING GROUP ENTITIES

1. Outstanding Litigation Against Our Group Entities

- a) Vinus Ply Industries a partnership firm of the promoters of our company, has been served with a notice for audit assessment under Section 34 (2) of the Gujarat Value Added Tax, Act, 2003 for the assessment year 2012-2013 dated 10 March 2015 to be present before the Assistant Commissioner of Commercial Tax with all necessary evidence to support the self-assessment made by the firm.
- b) Vinus Ply Industries a partnership firm of the promoters of our Company, has been served with a notice under Rule 9(4) of the Central Sales Tax (Gujarat) Rules, 1970 for the assessment year 2012-2013 dated 08 March 2014 to be present before the Assistant Commissioner of Commercial Tax with all necessary evidence to support the return made by the firm and to show cause as to why the firm should not be reassessed to tax and penalty under Section 9 of the Central Sales Tax Act, 1956.

- c) Vinus Ply Industries a partnership firm with the promoters of our Company as partners has been served with a notice under section 143(2) of the Income Tax Act, 1961 by the Income Tax Officer Ward 6(1) Ahmadabad dated 02 September 2014 for the assessment year 2013-14, to be present before the Income Tax Officer with all necessary evidence to support the return filed by the Firm. The firm has filed its submission on 26 December 2014.
- d) Anand Timber Mart a partnership firm of the promoters of our Company, has made short deductions of Tax Deducted at Source ('TDS') and is, consequently in default under Section 201 of the Income ta Act, 1961. Similarly, the Company has delaying in filing its TDS return and is consequently, required to pay a total sum of Rs. 21,202 under Section 234E and 220(2) of the Income Tax Act, 1961 for the financial years 2012-13, 2013-14, 2014-2015 as evidenced by the Form 26AS available on the website of the Income Tax Department. However, the firm has not received any notice of default from the Income Tax Department till date.

2. Outstanding Litigation Filed By Our Group Entities

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Group Entities.

3. Past Penalties Imposed On Our Group Entities

There are no past penalties imposed on our Group Entities.

4. Proceedings Initiated Against Our Group Entities For Economic Offences

No proceedings have been initiated against our Group Entities for any economic offence.

5. Adverse Findings Against Any Persons Or Entities Connected With Our Group Entities As Regards Non Compliance With Securities Laws

There are no adverse findings involving any persons or entities connected with our Group Entities with regard to non compliance with securities law.

6. Proceedings Initiated Against Our Group Entities Involving Labour Disputes Or Closure

There are no pending litigation proceedings against our Group Entities with respect to labour disputes or closures as on the date of this Prospectus.

7. Proceedings Against Our Group Entities With Respect To Default Or Overdues

There are no pending litigation proceedings against our Group Entities with respect to default or overdues as on the date of this Prospectus.

Except as disclosed otherwise no litigations have arisen after the filing of the Draft Prospectus

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on January 31, 2015 Company does not owe a sum exceeding Rs. 1,00,000/- (Rupees One Lakh) to any small scale undertaking which is outstanding for more than 30 (thirty) days, except the following:

| Particulars | Amount (Rs. In Lakhs) |
|--------------------------------|-----------------------|
| Abhin Pharmaceutical | 3.85 |
| Antraiksha Chemical | 18.65 |
| Maruti Paper Chem | 8.46 |
| Naresh trade Link | 19.95 |
| ANV Enterprise | 6.63 |
| Arihant Enterprise | 34.54 |
| B Choksi Chem Pvt. Ltd | 18.22 |
| Bhagwati Paper Chem | 66.90 |
| Deluxe paper associates | 31.31 |
| Ekta Enterprise | 1.92 |
| Empire Chemicals | 17.19 |
| Empire Intermediates Pvt. Ltd. | 68.96 |
| Gadia Mercantile Pvt. Ltd. | 55.49 |
| Himmat Ramka Sales Company | 31.23 |
| HPL Impex | 1.40 |
| Infinity Vincom Pvt. Ltd. | 62.93 |
| Innovative Creations | 61.89 |
| JDC Traders Ltd | 1.44 |
| Lamitech India | 1.94 |
| Mahadev Paper corporation | 13.68 |
| Micro Graphics | 2.40 |
| Mody Chem | 142.56 |
| Morsons Enterprise | 2.95 |
| Palakshree Foresights Ltd | 1.16 |
| Perfect Polymers | 2.10 |
| Prime decor laminate Pvt. Ltd. | 2.53 |
| Shivmangal industries Pvt. Ltd | 35.29 |
| Sonkamal enterprises Pvt. Ltd. | 38.41 |
| Sunita Commercials Pvt. Ltd. | 5.64 |
| Swastik Multi Pack | 8.91 |
| Thansau decors Pvt. Ltd. | 10.61 |
| United industries | 18.33 |
| Vitrag Associates | 2.06 |
| Balaji Tools | 1.24 |
| Card care | 5.76 |



| Particulars | Amount (Rs. In Lakhs) |
|---|-----------------------|
| Monghiben Veljibhai Patel | 4.54 |
| N M Shah | 2.68 |
| Ply Gazette | 1.40 |
| Prakashgiri G Gosai | 1.74 |
| Shah Traders | 2.01 |
| Shivam Traders | 1.59 |
| Shree Shiv Timber Mart | 6.64 |
| Vedant Tradelinks Pvt Ltd | 2.93 |
| Viraj | 5.65 |
| Gujarat Mineral Development Corporation Limited | 2.09 |
| B M Traders | 6.59 |
| H R Industries | 3.16 |
| Shree Ganesh Steel Supplier | 1.10 |
| Visual Computer Care | 1.02 |
| TOTAL | 849.68 |

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE, i.e. JANUARY 31, 2015

Except as described in this Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet.

GOVERNMENT AND OTHER STAUTORY APPROVALS

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

It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulations and Policies” on page 134 of this Prospectus.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on March 26, 2015 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated March 27, 2015 under Section 62 of the Companies Act, 2013 authorized the Issue.

Approvals from the Stock Exchange

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter DCS/IPO/NP/IP/158/2015-2016 dated May 7, 2015.

II. INCORPORATION AND OTHER DETAILS

1. Certificate of Incorporation bearing registration number 059931 dated March 19, 2010, has been issued to our Company, in the name of “Ambition Mica Private Limited” under the Companies Act, 1956 by the Registrar of Companies, Gujarat, Dadra Nagar Haveli, Ahmedabad
2. Fresh Certificate of Incorporation dated March 25, 2015 issued by the Registrar of Companies, Ahmedabad, consequent upon change of name of our Company upon conversion to public limited company.
3. The Corporate Identity Number (CIN) of the Company is U25202GJ2010PLC059931.
4. The Company has entered into an agreement dated April 08, 2015 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated April 08, 2015 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited for the dematerialization of its shares.
6. The ISIN Number of the Company is INE563S01011.

III. TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

The Company has obtained the following approvals from various tax authorities as set out below:

| S. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry |
|--------|---|---|-------------------------------|--|--------------------------|
| 1. | Permanent Account Number (PAN) | The Income Tax Department, Government of India. | AAICA4724A | March 19, 2010 | NA |
| 2. | Tax Deduction and Collection Account Number (TAN). | The Income Tax Department, Government of India. | AHMA09702A | NA | NA |
| 3. | Certificate of Registration for Service Tax under Section 69 of the Finance Act, 1994 | Central Board of Excise and Customs | AAICA4724ASD001 | March 28, 2011 | Valid Until cancellation |
| 4. | Certificate of Registration under Section 21 of Gujarat Value Added Tax, 2003 | Assistant Commissioner of Commercial Tax, Unit -15, Ahmedabad | Registration No.: 24072602909 | Date of Issue : June 14, 2010 Effective date : May 06, 2010 | Valid Until cancellation |
| 5. | Certificate of Registration under section 7(1)/7(2) of Central Sales Tax Act, 1956 | Assistant Commissioner of Commercial Tax, Unit -15, Ahmedabad | Registration No.: 24572602909 | Date of Issue : June 14, 2010 Effective date : May 06, 2010 | Valid Until cancellation |
| 6. | Certificate of Registration under Section 6 of the Central Excise Act, 1944 | Assistant Commissioner of Central Excise, Gandhinagar | AAICA4724AEM001 | Date of Certificate : September 01, 2010 | Valid Until Cancellation |

IV. LABOUR RELATED APPROVALS /REGISTRATION

| Sl. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry/ Status |
|---------|----------------------------|--------------------------|---------------------------|-----------------|------------------------|
| 1 | Employees' Provident Funds | Assistant Provident Fund | GJ/PFC/NRD/62246ENF /1557 | Date of Issue : | NA |

| Sl. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry/ Status |
|---------|--|--|--|--|---|
| | Organization | Commissioner, Sub Regional Office, Naroda. | | July 01, 2011 Effective date : June 24, 2011 | |
| 2 | License to Work a Factory under Rule 5 of the Gujarat Factory Rules, 1963 | Joint Director of Industrial Safety and Health, Ahmedabad Region | Registration No.: 1129/26991/2011 License No.: 18561 FIN: A10018561A | Date of Issue : August 22, 2013 Effective date : April 02, 2011 | December 31, 2018 |
| 3 | Registration under the Contract Labour (Regulation and Abolition) Act, 1970 | Assistant Labour Commissioner and Registering Officer, Contract Labour (Regulation and Abolition) Act, 1970, Ahmedabad | Contra.Reg/AMD/56/2 015 | 06 May 2015 | Appears to be valid till 14 April 2016 |

V. OTHER APPROVALS

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|---|--|---------------------|----------------------------|------------------------|
| 1. | Consolidated Consent under section 25 of the Water Act, 1974, Section 21 of the Air Act, 1981 and Rules 3(c) and 5(5) of the Hazardous | Gujarat Pollution Control Board | 55140 | 17 March 2012 | 16 March 2017 |

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|---|--|----------------------------------|-----------------------------------|---------------------------|
| | Waste Rules, 2008 | | | | |
| 2. | Certificate of Importer – Exporter Code | Foreign Trade Development Officer | 0810010470 | Date of Issue: August 05, 2010 | |
| 3. | Environmental Impact Assessment | Ministry of Environment and Forest | F.No. J-11011/250/2010-IA II (I) | 11 October 2011 | NA |
| 4. | Bureau of Indian Standards Certification Marks License as per IS 2046:1995 | Bureau of Indian Standards | CM/L-3792377 | 13 January 2015 | 12 January 2016 |
| 5. | Entrepreneurs' Memorandum (EM) for setting up Micro, Small, Medium Enterprise-Acknowledgement for Part-II | District Industries Centre, Gandhinagar | No/DIC/GNR/EM/Part-2/8549 | 03 August 2011 | NA |
| 6. | License for purchase, possession and use of Methyl Alcohol under the Bombay Prohibition Act, 1949 | Superintendent of Prohibition and Excise | M.A.18.2012-14 | 01 April 2015 | 31 March 2016 |
| 7. | Provisional Order under Section 9 of the Indian Boiler Act, 1923* | Assistant Director of Boilers, Gujarat | GT-6639 | 31 March 2015 | 30 September 2015 |

**The boiler used by the Company is pending registration under Section 7 of the Indian Boiler Act, 1923. The provisional order shall be valid for a period of six months or till the renewal or refusal of the certificate.*

VI. INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATION

In order to protect our intellectual property rights, we have registered trademarks for our various products and have also applied for Trademark registration for various products. We have registered following Trademarks with Trademarks Registry, Government of India and as on date of this Prospectus they are legally held by the Company

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|------------------------------------|-----------------|------------------------------|--------------------|-------------------|-------|-------------------|---|
| 1. | PANVEL* PANVEL | WORD | M/S. Venus Ply Industries | 1427985 | 08 March 2006 | 19 | 08 March 2016 | Registered Certificate No. 691225 Dated : 08/03/2008 |
| 2. | VELSON* VELSON | DEVICE | M/S. Venus Ply Industries | 1739426 | 01 October 2008 | 19 | 01 October 2018 | Registered Certificate No. 917073 Dated : 29/01/2011 |
| 3. | DOOR TOUCH* DOOR TOUCH | DEVICE | M/s. Venus Ply Industries | 1739932 | 03 October 2008 | 19 | 03 October 2018 | Registered Certificate No. 1029503 Dated : 06/01/2012 |
| 4. | ANTIQUE* ANTIQUE | DEVICE | M/S. Venus Ply Industries | 1731636 | 12 September 2008 | 19 | 12 September 2018 | Registered Certificate No. 914802 Dated : 27/01/2011 |
| 5. | MICRO TOUCH* MICRO TOUCH | DEVICE | M/S. Venus Ply | 1731637 | 12 September | 19 | 12 September | Registered Certificate |

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|-------------------------------|-----------------|--|--------------------|------------------|-------|-----------------|---|
| | | | Industries | | 2008 | | 2018 | No. 899017 Dated : 03/01/2011 |
| 6. | DZIRE DZIRE | DEVICE | Ambition Mica Private Limited | 1805869 | 13 April 2009 | 19 | NA | Rejected |
| 7. | ARTLAM* Artlam | DEVICE | M/s. Venus Ply Industries | 1972125 | 28 May 2010 | 19 | 28 May 2020 | Registered Certificate No. 1011023 Dated : 13/05/2011 |
| 8. | LUXURY Luxury | DEVICE | Ambition Mica Private Limited | 1972126 | 28 May 2010 | 19 | NA | Objected |
| 9. | HAVMORE Havmore | DEVICE | Ambition Mica Private Limited | 1972127 | 28 May 2010 | 19 | NA | Rejected |
| 10. | TEXAS TEXAS | DEVICE | Ambition Mica Private Limited | 1992045 | 12 July 2010 | 19 | NA | Objected |
| 11. | BEAUTIQUE BEAUTIQUE | WORD | Ambition Mica Private Limited | 2154294 | 03 June 2011 | 19 | 03 June 2021 | Registered Certificate No. 1180691 Dated : 01/08/2014 |
| 12. | SPEAK LAM | WORD | Ambition Mica | 2154293 | 03 June | 19 | 03 June | Registered |

| Sl. No | Description | Word/Label Mark | Applicant | Application Number | Date of Filing | Class | Date of Expiry | Status |
|--------|-------------------------|-----------------|-------------------------------|--------------------|----------------|-------|----------------|--|
| | SPEAK LAM | | Private Limited | | 2011 | | 2021 | Certificate No.1180683 Dated : 01/08/2014 |
| 13. | BELEZA BELEZA | WORD | Ambition Mica Private Limited | 2305889 | 26 March 2012 | 19 | NA | Objected |
| 14. | DOOR NATION | WORD | Ambition Mica Private Limited | 2926850 | 21 March 2015 | 19 | NA | Unregistered |
| 15. | VISUAL | WORD | Ambition Mica Private Limited | 2926848 | 21 March 2015 | 19 | NA | Unregistered |

**The Trademark has been assigned over to Ambition Mica Private Limited by a deed of assignment dated 16th August 2013. The Registry has taken the deed of assignment dated 16th August 2013 on record by Form TM -24 on 31st December 2013 for the Trademark.*

VII. Approvals/ Licenses to be applied

We are yet to apply for the following licenses and/ or approvals which will be applied for in due course:

| Sl. No. | Nature of License / Approvals | Authority |
|---------|---|---|
| 1. | Registration Certificate under the Gujarat State Tax On Professions, Trades, Callings And Employments Act, 1976 | Professional Tax Officer, Ahmedabad |
| 2. | Certificate of Enrolment under Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 | Professional Tax Officer, Ahmedabad |
| 3. | Shops and Commercial Establishments Registration Certificate for Registered Office in Ahmedabad | Inspector under the Ahmedabad Shops and Commercial Establishments Act, 1961 |
| 4. | Registration under the Indian Boiler Act, 1923 for Boiler GT-5195 | Assistant Director of Boilers, Gujarat |

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 March 26, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62 of the Companies Act, 2013 passed at the EGM of our Company held on March 27, 2015 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Entities has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Entities have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors is associated with the securities market in any manner, including securities market related business.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value 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 hundred percent underwritten and that the Lead Manager 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 63 of this 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, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.



4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager 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 63 of this Prospectus.
5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the Period ended January 31, 2015 and year ended March 31, 2014, 2013, 2012 and 2011 is as set forth below:-

(Rs. In lakhs)

| Particulars | January 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2012 |
|------------------------|---------------------|-------------------|-------------------|-------------------|
| Distributable Profits* | 144.09 | 112.29 | 87.06 | 29.00 |
| Net Tangible Assets** | 778.27 | 621.75 | 421.63 | 275.44 |
| Net Worth*** | 656.74 | 514.45 | 337.16 | 224.58 |

* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

** ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Post-issue paid up capital of the Company shall be at least Rs. 3 Crore
10. The Company shall mandatorily facilitate trading in demat securities and has already entered 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 or a liquidator has not been appointed 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. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

15. The Company has a website www.ambitionmica.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, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, 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 PROSPECTUS, THE LEAD MANAGER, PANTOMATH 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, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE 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, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

- A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
- C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS 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 PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF

THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE

- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**
- 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. (CHECKLIST ENCLOSED)**
- 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.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN***



THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS

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

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE 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. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
- (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.**

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 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 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, Ahmedabad, Gujarat, in terms of Section 26, 30 and 32 of the 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 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.ambitionmica.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 April 6, 2015, the Underwriting Agreement dated April 6, 2015 entered into among the Underwriter and our Company and the Market Making Agreement dated April 6, 2015 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.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

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 track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and 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 FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity



Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 Gujarat 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 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 Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this 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

BSE Limited ("BSE") has given vide its letter dated May 7, 2015 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

This Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with Western Regional Office of SEBI at Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad - 380 009, Gujarat, India. A copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 has been delivered for registration at the Office of the Registrar of Companies, ROC Bhavan, Opposite Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

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 Prospectus vide its letter dated May 7, 2015.

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 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 working 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 40 of the Companies Act, 2013

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 & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; 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 is filed along with a copy of the Prospectus with the RoC, as required under sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this 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 Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.



EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 88 of this 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 February 06, 2015 issue by our Company to the Lead Manager, the copy of which is available for inspection at our Corporate 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 April 06, 2015 a copy of which is available for inspection at our Corporate 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 if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, 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 72 of this 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, 1956 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 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 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 Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on March 28, 2015. For further details, please refer to the chapter titled “Our Management” beginning on page 148 of this Prospectus.



Our Company has appointed Nisha Jha as Compliance Officer and he may be contacted at the following address:

Ambition Mica Limited

Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330
Gujarat.

Tel: 079 - 65417241

Fax: NA

Email: cs@ambitionmica.com

Website: www.ambitionmica.com

Investors can contact the 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

No Changes in Auditors have been done in last three financial years

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 72 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalue its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this 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 Prospectus.

Except as stated elsewhere in this 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 there under.

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 and transferred are subject to the provisions of the Companies Act, 1956 and Companies Act, 2013 as may be applicable, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SME Equity Listing Agreements, the terms of the Prospectus, the Prospectus, Application Form, ASBA Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC 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 issued or transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with the Companies Act, 1956 and the Companies Act, 2013 and the Articles. For further details, please refer to the section titled “Main Provisions of Articles of Association” beginning on page number 321 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of the Companies Act, 1956 and the Companies Act, 2013 as may be applicable 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled “Dividend Policy” on page 174 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 40 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” beginning on page 94 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.



COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 1956 and Companies Act, 2013 Act, the terms of the SME Listing Agreement with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 321 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

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 days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, 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.

JOINT HOLDER

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

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the 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 Applicant, 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 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

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

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.



Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

| | |
|-----------------|------------------------|
| ISSUE OPENS ON | Tuesday, June 23, 2015 |
| ISSUE CLOSES ON | Tuesday, June 30, 2015 |

MINIMUM SUBSCRIPTION

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

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been 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. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

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 days of closure of issue.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Stock Exchange on a later date subject to the following:

- a. **If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders 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 fulfilment 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 Rs. 1,000 lakhs but below Rs. 2,500 lakhs, 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 through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 63 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 3,000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. Overseas Corporate Bodies (OCBs) have been de-recognised as a class of investor in India with effect from September 16, 2003. However, erstwhile OCBs which are incorporated outside India and are not under adverse notice of the RBI can make fresh investments under the FDI Scheme as incorporated non-resident entities, with the prior approval of the Government of India, if the investment is through the Government Route; and with the prior approval of the Reserve Bank, if the investment is through the Automatic Route.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.



OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

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

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation subject to SEBI and RBI regulations

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page number 72 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page number 321 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crore rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 259 and 268 of this Prospectus.

Following is the issue structure:

Public Issue of 10,74,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 40 per Equity Share (including a premium of Rs. 30 per Equity Share) aggregating Rs. 429.60 Lacs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 10,20,000 Equity Shares ('the Net Issue'), a reservation of 54,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

| Particulars | Net Issue to Public* | Market Maker Reservation Portion |
|---|--|----------------------------------|
| Number of Equity Shares | 10,74,000 Equity Shares | 54,000 Equity Shares |
| Percentage of Issue Size available for allocation | 94.97% of the Issue Size | 5.03% of Issue Size |
| Basis of Allotment/Allocation if respective category is oversubscribed | Proportionate subject to minimum allotment of 3,000 Equity Shares and Further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the section titled " <i>Issue Procedure–Basis of Allotment</i> " on page 309 of the Prospectus. | Firm allotment |
| Mode of Application | For QIB and NII Applicants The application must be made compulsorily through the ASBA Process. For Retail Individuals Applicants May apply through the ASBA or the Physical Form. | Through ASBA Process Only |
| Minimum Application | For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000 | 54,000 Equity Shares |

| Particulars | Net Issue to Public* | Market Maker Reservation Portion |
|---------------------------------|--|--|
| | <i>For Retail Individuals:</i> 3,000 Equity Shares | |
| Maximum Application Size | <u>For Other than Retail Individual Investors:</u> For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> 3,000 Equity Shares | 54,000 Equity Shares of Face Value Rs. 10.00 |
| Mode of Allotment | Compulsorily in dematerialized mode. | Compulsorily in dematerialized mode. |
| Trading Lot | 3,000 Equity Shares | 3,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations |
| Terms of payment | The entire Application Amount will be payable at the time of submission of the Application Form. | |

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.*

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange,

which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAMME

| | |
|------------------------|-------------------------------|
| ISSUE OPENS ON | Tuesday, June 23, 2015 |
| ISSUE CLOSES ON | Tuesday, June 30, 2015 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application 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 applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "– **Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus and this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized i.e., there will be a single Application Form for ASBA and non-ASBA Applicants. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA) | White |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA and Non-ASBA) | Blue |

Applicants (other than ASBA Applicants) shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

ASBA Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue or SCSB, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

Upon completion and submission of the Application Form to a Banker to the Issue or the SCSB, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

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.

- 1. Availability of Prospectus and Application Forms**
- 2. The Application Forms and copies of the Prospectus may be obtained from the Corporate Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centre 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.**

WHO CAN APPLY?

In addition to the category of Applicants set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:



- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.**
- b. The Equity Shares, on allotment, shall be traded on the 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 and applicable law.**

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S 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 HUFs, 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. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPi's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Corporate Office and at the Office of the Lead manager. 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 Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms

and conditions stipulated therein. 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 NRIs 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.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of the SEBI (Foreign Portfolio Investors) Regulations, 2014, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. Any other transaction specified by the Board.

- c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by the Board.
 - e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of the SEBI (Foreign Portfolio Investors) Regulations, 2014, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
 5. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten per cent of the total issued capital of the company.
 6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
 7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be

distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity



related instruments of any single 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate 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 thereof.

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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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. Limited liability partnerships can participate in the Issue only through the ASBA process.

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 reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

The entire group of the investee company: 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 Unit Linked Insurance Plans); and

2. *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 Unit Linked Insurance Plans).

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this,

the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager 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 any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Copies of the Application Form and copies of the Prospectus will be available with the Bankers to the Issue, the Lead Managers and the Registrar to the Issue. For ASBA Applicants, physical Application Forms will be available with the Designated Branches of the SCSBs and at the Corporate Office of our Company. For ASBA Applicants, electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Corporate Office.
5. Applicants who are interested in subscribing to the Equity Shares should approach any of the Lead Managers or Bankers to the Issue or their authorised agent(s) to register their applications. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
6. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the Bankers to the Issue should bear the stamp of the Broker. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. In case of ASBA Applicants, the Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB, where the ASBA Account is maintained. For ASBA applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN

details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.
6. Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on page 279 of this Prospectus.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application



option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS

Terms of Payment

The entire Issue price of Rs. 40 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.

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for ASBA Applicants

The ASBA Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock

the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Payment into Escrow Account for Applicants other than ASBA Applicants

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. In case of Resident Retail Applicants: "Ambition Mica Limited - R"
 - b. In case of Non Resident Retail Applicants: "Ambition Mica Limited - NR"
4. In case of applications by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
5. In case of applications by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account

of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.
8. On the Designated Date, the Escrow Collection Bank shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
12. In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session operate once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the SCSBs, (iii) the applications accepted but not uploaded by the SCSBs or (iv) with respect to applications by ASBA Applicants, applications accepted and

uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the SCSBs and their authorized agents during the Issue Period. The Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Branches of SCSBs shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
 - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
7. In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
8. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Designated Branches. The registration of the Application by the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.



10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The SCSBs shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The SCSBs will be given up to one day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 54,000 Equity Shares shall be reserved for Market Maker. 10,20,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated April 6, 2014
- b) A copy of the Prospectus is filed with the RoC in terms of Section 26 of the Companies Act, 2013

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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 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.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a TRS;
- Non retail applicants should submit their applications through the ASBA process only.

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 Banker to 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 in 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.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended;

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.

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 January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.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 Lead Manager 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.

Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed and accompanied by account payee cheques or draft s shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of



Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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

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 7 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 15 (Fifteen) days of the Issue Closing Date;
2. Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (Fifteen) days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made or refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (Fifteen) days prescribed above.
4. 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 our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for en-cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
- shall be liable for action under Section 447.”***

UNDERTAKINGS BY THE COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That we shall apply in advance for the listing of equities on the conversion of debentures/ bonds;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
5. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That our Promoters' contribution in full has already been brought in;
7. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
8. That no further issue of securities shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
9. 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 THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;



2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company 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 utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Agreement dated April 08, 2015 among NSDL, the Company and the Registrar to the Issue;

Agreement dated April 08, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN No. INE563S01011.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by

the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M(1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the Lead Manager has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be 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 the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should

have net worth of at least Rs. 5 Crores.

- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 3 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website
- (n) There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

Issuer shall also comply 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 this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built Issue”**) or undertake a Fixed Price Issue (**“Fixed Price Issue”**). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of



Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

- (a) If the Paid up Capital of the 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 Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the 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 Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- 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);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 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 IRDA;
- Provident Funds and 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 or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the corporate office of the Issuer and at the office of Lead Manager. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

| Category | Colour of the Application |
|---|---------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Applicants applying in the reserved category | Not Applicable |

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



R Application Form

| COMMON APPLICATION FORM FOR ASBA / NON-ASBA | | AMBITION MICA LIMITED - PUBLIC ISSUE - R | | FOR RESIDENT INDIANS & GISEL ELIGIBLE NRI'S APPLYING ON NON-REGISTRATION BASIS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| To, The Board of Directors AMBITION MICA LIMITED | | FIXED PRICE SME ISSUE INE0000000000 | | Date : _____ Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">BROKERS / AGENT'S STAMP & CODE</td> <td style="width: 50%;">SUB-BROKER'S / SUB-AGENT'S STAMP & CODE</td> </tr> <tr> <td>BANK BRANCH STAMP & CODE</td> <td>BANK BRANCH SERIAL NO.</td> </tr> <tr> <td colspan="2">REGISTRAR'S SERIAL NO.</td> </tr> </table> | | BROKERS / AGENT'S STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | BANK BRANCH STAMP & CODE | BANK BRANCH SERIAL NO. | REGISTRAR'S SERIAL NO. | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">1. NAME & CONTACT DETAILS of Sole/First Applicant</td> </tr> <tr> <td style="width: 50%;">MR / MRS. _____</td> <td style="width: 50%;">Age _____</td> </tr> <tr> <td colspan="2">Address _____</td> </tr> <tr> <td colspan="2">E-mail _____</td> </tr> <tr> <td colspan="2">Tel No. (with STD Code) / Mobile _____</td> </tr> <tr> <td colspan="2">2. PAN OF SOLE/FIRST APPLICANT</td> </tr> <tr> <td colspan="2">_____</td> </tr> <tr> <td colspan="2">3. INVESTOR'S DEMAND/RECEIPT ACCOUNT DETAILS <input type="checkbox"/> NRI/IL <input type="checkbox"/> CoIL</td> </tr> <tr> <td colspan="2"> For NRI/IL enter 8 digit OF ID followed by 8 digit Client ID / For CoIL enter 16 digit Client ID. </td> </tr> <tr> <td colspan="2">4. APPLICATION DETAILS</td> </tr> <tr> <td colspan="2">No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. of Rs. _____/- per share ^{1&2}</td> </tr> <tr> <td style="width: 50%;">(In Figures) _____</td> <td style="width: 50%;">(In Words) _____</td> </tr> <tr> <td colspan="2">5. CATEGORY</td> </tr> <tr> <td colspan="2"> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Residential <input type="checkbox"/> CoIL </td> </tr> <tr> <td colspan="2">6. Investor Status</td> </tr> <tr> <td colspan="2"> <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Series & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH </td> </tr> <tr> <td colspan="2"> <small>*HUF Should apply only through bank (Applicable by IIF and be treated as parallel entities)</small> </td> </tr> <tr> <td colspan="4" style="text-align: center;">PLEASE FILL IN BLOCK LETTERS</td> <td colspan="2"></td> </tr> <tr> <td colspan="6"> 7. 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| BROKERS / AGENT'S STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BANK BRANCH STAMP & CODE | BANK BRANCH SERIAL NO. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| REGISTRAR'S SERIAL NO. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. NAME & CONTACT DETAILS of Sole/First Applicant | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MR / MRS. _____ | Age _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Address _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E-mail _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tel No. (with STD Code) / Mobile _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. PAN OF SOLE/FIRST APPLICANT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 3. INVESTOR'S DEMAND/RECEIPT ACCOUNT DETAILS <input type="checkbox"/> NRI/IL <input type="checkbox"/> CoIL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For NRI/IL enter 8 digit OF ID followed by 8 digit Client ID / For CoIL enter 16 digit Client ID. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| (In Figures) _____ | (In Words) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. CATEGORY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Residential <input type="checkbox"/> CoIL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. Investor Status | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| PLEASE FILL IN BLOCK LETTERS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Drawn on (Bank Name & Branch) _____ | | Bank Name & Branch _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AMBITION MICA LIMITED - PUBLIC ISSUE - R | | Acknowledgement Slip for SCSS | | Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RECEIVED FROM NRI/IL Address _____ Telephone / Mobile _____ E-mail _____ | | No. of Equity Shares applied for In Figures _____ In Words _____ Cheque / demand draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____ | | Bank's Stamp & Signature _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| AMBITION MICA LIMITED - PUBLIC ISSUE - R No. of Equity Shares _____ Amount Paid (Rs.) _____ Cheque / DD / ASBA Bank A/c No.: _____ Bank & Branch: _____ | | Stamp & Signature of SCSS _____ | | Name of Sole / First Applicant _____ Acknowledgement Slip for Applicant Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

- **makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- **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**
- **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 the said Act.’

- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications

by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/ DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size
 - i. For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 3,000 Equity Shares.
 - ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RILs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RILs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) 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.

4.1.7.1 Instructions for non-ASBA Applicants:

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favour of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant 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. Non CTS 2010 cheques/bank s drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank draft s are liable to be rejected.

- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB,

along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be

addressed as under:

- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
- i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
 - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

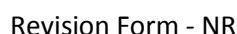
- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R

| COMMON REVISION FORM FOR ASDA / NON-ASDA | | AMBITION MICA LIMITED - PUBLIC ISSUE - R | | FOR RESIDENT INDIANS & OVERSEAS INDIVIDUALS APPLYING ON NON-REGISTRATION BASIS | |
|--|--|---|--|---|--|
| To, The Board of Directors AMBITION MICA LIMITED | | FIXED PRICE SME ISSUE INE000000000 | | Date: _____ | |
| Brokers / Agent's Stamp & Code Sub-Brokers / Sub-Agent's Stamp & Code Bank Branch Stamp & Code Bank Branch Serial No. Registrar's Serial No. For NDL enter 8 digit DP ID followed by 8 digit Client ID / For CSL enter 16 digit Client ID | | Application Form No. _____ 1. NAME & CONTACT DETAILS OF SOLE/JOINT APPLICANT Mr / Ms. _____ Tel. No. (with STD Code) / Mobile _____ 2. PAN OF SOLE/JOINT APPLICANT _____ 3. INVESTOR'S DEMAT/STOCKY ACCOUNT DETAILS <input type="checkbox"/> NDL <input type="checkbox"/> CSL For NDL enter 8 digit DP ID followed by 8 digit Client ID / For CSL enter 16 digit Client ID | | | |
| 4. NO. OF EQUITY SHARES APPLIED FOR (APPLICANT MUST BE IN POSSESSION OF 3000 EQUITY SHARES) | | | | | |
| Options Option 1 (Or) Option 2 (Or) Option 3 | | Price per Equity Share (₹) Issue Price Discount, if any Net Price | | For NDL enter 8 digit DP ID followed by 8 digit Client ID / For CSL enter 16 digit Client ID | |
| 5. TD (revised application) | | | | | |
| Options Option 1 (Or) Option 2 (Or) Option 3 | | Price per Equity Share (₹) Issue Price Discount, if any Net Price | | For NDL enter 8 digit DP ID followed by 8 digit Client ID / For CSL enter 16 digit Client ID | |
| 6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | | | | |
| Additional Amount Paid (₹ in Figure) _____ (₹ in words) _____ | | | | | |
| <input type="checkbox"/> (A) CHQ/DEBIT / DEMAND DRAFT (DD) <input type="checkbox"/> (B) ASBA | | | | | |
| Chq/ DD No. _____ Date DD / MM / YY | | Bank A/c No. _____ Bank Name & Branch _____ | | | |
| WE ON BEHALF OF JOINT APPLICANTS (If any) HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORMS AND HEREBY AGREE AND CONFIRM THE APPLICANTS UNDERSTAND AS GIVEN OVERDRAFT. (We on behalf of JOINT APPLICANTS (If any) HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORMS GIVEN OVERDRAFT.) | | | | | |
| 7.A. SIGNATURE OF SOLE / JOINT APPLICANT Date: _____ 2015 | | 7.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (If ASBA Bank Account Holder is also a Joint Applicant) (If ASBA Bank Account Holder is also a Joint Applicant) (If ASBA Bank Account Holder is also a Joint Applicant) | | 8. SIGNATURE OF BROKER / AGENT (Acknowledging receipt of Application in Stock Exchange System) | |
| TEAR HERE | | | | | |
| AMBITION MICA LIMITED - PUBLIC ISSUE - R | | acknowledgment slip for ASBA | | application form no. | |
| Additional Amount Paid (₹ in Figure) _____ Bank & Branch _____ Chq/ DD / ASBA Bank A/c No. _____ Received from MCA/MS. _____ Telephone / Mobile _____ Email _____ | | Stamp & Signature of Broker | | | |
| TEAR HERE | | | | | |
| AMBITION MICA LIMITED - PUBLIC ISSUE - R Option 1 Option 2 Option 3 Issue Price Additional Amount Paid (₹) | | acknowledgment or electronic receipt / ASBA For NDL enter 8 digit DP ID followed by 8 digit Client ID / For CSL enter 16 digit Client ID | | Name of Sole / Joint Applicant Acknowledgment Slip for Applicant | |
| Chq/ DD / ASBA Bank A/c No. _____ Bank & Branch _____ | | Application Form No. _____ | | | |

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4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

| Mode of Application | Submission of Application Form |
|----------------------|--|
| Non-ASBA Application | Collection Centres of Escrow Banks |
| ASBA Application | To the Designated branches of the SCSBs where the ASBA Account is maintained |

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through SCSB and/or

Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF 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 3,000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole 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 , unless the extended time is permitted by BSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 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 hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For applications where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:

- i. Each successful Applicant shall be allotted 3,000 equity shares; and
 - ii. 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.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 3,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.
- (e) 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 or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. 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.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated

Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been 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. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a

rate 15 (fifteen) percent per annum.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/ allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. 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 may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date 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 may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in

this section;

- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Applicants are requested to contact their respective Banks.

8.3.2 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if 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 Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

| Term | Description |
|--|---|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Applicants |
| Allottee | An Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009. |
| Anchor Investor Portion | Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue |
| Application Supported by Blocked Amount/(ASBA)/ASBA | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant |
| ASBA Application | An Application made by an ASBA Applicant |
| ASBA Applicant | Prospective /Applicants in the Issue who apply through ASBA |
| Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue |
| Application | An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto. |
| Issue Closing Date | The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date |
| Issue Opening Date | The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national |

| Term | Description |
|---|---|
| | daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Application Form | The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. |
| Applicant | Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant |
| Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009 |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer. |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Companies Act | The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified) |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the |

| Term | Description |
|---|---|
| | Equity Shares constituting the Offer for Sale |
| Designated Stock Exchange | The designated stock exchange as disclosed in the Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus |
| Equity Shares | Equity shares of the Issuer |
| Escrow Account | Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FPI(s) | Foreign Portfolio Investor |
| Fixed Price Issue/ Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s) |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |

| Term | Description |
|---|--|
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less Market Maker Reservation Portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI |
| 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 and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Offer for Sale | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder |
| Other Investors | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| QIB Category Qualified Institutional Buyers or QIBs | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Refund Account(s) Refund Bank(s) | The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer |
| Refunds through electronic transfer of funds | Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable |
| Registrar to the | The Registrar to the Issue as disclosed in the Prospectus and Bid cum |

| Term | Description |
|---|--|
| Issue/RTI | Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or for a value of not more than Rs. 200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| SME IPO | Initial public offering as chapter XB of SEBI (ICDR) Regulation |
| SME Issuer | The Company making the Issue under chapter XB of SEBI (ICDR) Regulation |
| Stock Exchanges/SE | The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Underwriters | The Lead Manager(s) |
| Underwriting Agreement | The agreement dated entered into between the Underwriters and our Company |

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

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 2014, with effect from April 17, 2014 ("Circular 1 of 2014"), consolidates and subsumes 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 2014 will be valid until the DIPP issues an updated circular.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2014 which is valid till June 30, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under paragraph 6.2.5 of the current consolidated FDI Policy, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100% foreign direct investment through automatic route is permitted in the laminate manufacturing sector.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfilment 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 sectorial 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 Lead Manager is 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 PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that 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

| Sr. No | Particulars | |
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| 1. | No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | Table F Applicable. |
| | Interpretation Clause | |
| 2. | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context: | |
| | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force. | Act |
| | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution. | Articles |
| | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company. | Auditors |
| | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company. | Capital |
| | (e) *"The Company" shall mean Ambition Mica Limited | Company |
| | (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession | Executor or Administrator |

| Sr. No | Particulars | |
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| | Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. | |
| | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member. | Legal Representative |
| | (h) Words importing the masculine gender also include the feminine gender. | Gender |
| | (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form. | In Writing and Written |
| | (j) The marginal notes hereto shall not affect the construction thereof. | Marginal notes |
| | (k) "Meeting" or "General Meeting" means a meeting of members. | Meeting or General Meeting |
| | (l) "Month" means a calendar month. | Month |
| | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act. | Annual General Meeting |
| | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof. | Extra-Ordinary General Meeting |
| | (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government. | National Holiday |
| | (p) "Non-retiring Directors" means a director not subject to retirement by rotation. | Non-retiring Directors |
| | (q) "Office" means the registered Office for the time being of the Company. | Office |
| | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act. | Ordinary and Special Resolution |
| | (s) "Person" shall be deemed to include corporations | Person |

| Sr. No | Particulars | |
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| | and firms as well as individuals. | |
| | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. | Proxy |
| | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act. | Register of Members |
| | (v) "Seal" means the common seal for the time being of the Company. | Seal |
| | (w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act. | Special Resolution |
| | (x) Words importing the Singular number include where the context admits or requires the plural number and vice versa. | Singular number |
| | (y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company. | Statutes |
| | (z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. | These presents |
| | (aa) "Variation" shall include abrogation; and "vary" shall include abrogate. | Variation |
| | (bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act. | Year and Financial Year |
| | Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force. | Expressions in the Act to bear the same meaning in Articles |
| | CAPITAL | |
| 3. | a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. | Authorized Capital. |

| Sr. No | Particulars | |
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| | b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time. | |
| 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 47 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 64 of the Act. | Increase of capital by the Company how carried into effect |
| 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. | New Capital same as existing capital |
| 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. | Non Voting Shares |
| 7. | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. | Redeemable 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. | Voting rights of preference shares |

| Sr. No | Particulars | |
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| 9. | <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:</p> <p>(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;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) 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;</p> <p>(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 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 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. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p> | Provisions to apply on issue of Redeemable Preference Shares |
| 10. | <p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may</p> | Reduction of capital |

| Sr. No | Particulars | |
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| | be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. | |
| 11. | 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. 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. | Debentures |
| 12. | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder. | Issue of Sweat Equity Shares |
| 13. | The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called. | ESOP |
| 14. | Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities. | Buy Back of shares |
| 15. | Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; 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. | Consolidation, Sub-Division And Cancellation |

| Sr. No | Particulars | |
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| 16. | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country. | Issue of Depository Receipts |
| 17. | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder. | Issue of Securities |
| | MODIFICATION OF CLASS RIGHTS | |
| 18. | <p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p> | Modification of rights |
| 19. | The rights conferred upon the holders of the Shares including Preference Share, 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, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith. | New Issue of Shares not to affect rights attached to existing shares of that class. |
| 20. | Subject to the provisions of Section 62 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 persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General | Shares at the disposal of the Directors. |

| Sr. No | Particulars | |
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| | 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. | |
| 21. | The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder. | Power to issue shares on preferential basis. |
| 22. | The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. | Shares should be Numbered progressively and no share to be subdivided. |
| 23. | An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member. | Acceptance of Shares. |
| 24. | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid. | Directors may allot shares as full paid-up |
| 25. | The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any | Deposit and call etc.to be a debt payable immediately. |

| Sr. No | Particulars | |
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| | shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly. | |
| 26. | Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof. | Liability of Members. |
| 27. | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind. | Registration of Shares. |
| | RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT | |
| 28. | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act | |
| | CERTIFICATES | |
| 29. | (a) 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 provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or 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 of several joint holders shall be sufficient delivery to all such holder. Such certificate | Share Certificates. |

| Sr. No | Particulars | |
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| | <p>shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> | |
| 30. | <p>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</p> | <p>Issue of new certificates in place of those defaced, lost or destroyed.</p> |

| Sr. No | Particulars | |
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| | <p>shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- 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.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> | |
| 31. | <p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p> | <p>The first named joint holder deemed Sole holder.</p> |
| | <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p> | <p>Maximum number of joint holders.</p> |
| 32. | <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise 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 the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p> | <p>Company not bound to recognise any interest in share other than that of registered holders.</p> |
| 33. | <p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, 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</p> | <p>Installment on shares to be duly paid.</p> |

| Sr. No | Particulars | |
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| | share or his legal representative. | |
| | UNDERWRITING AND BROKERAGE | |
| 34. | Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. | Commission |
| 35. | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful. | Brokerage |
| | CALLS | |
| 36. | <p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p> | Directors may make calls |
| 37. | Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid. | Notice of Calls |
| 38. | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors. | Calls to date from resolution. |

| Sr. No | Particulars | |
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| 39. | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class. | Calls on uniform basis. |
| 40. | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. | Directors may extend time. |
| 41. | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. | Calls to carry interest. |
| 42. | 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. | Sums deemed to be calls. |
| 43. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be | Proof on trial of suit for money due on shares. |

| Sr. No | Particulars | |
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| | necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | |
| 44. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided. | Judgment, decree, partial payment motto proceed for forfeiture. |
| 45. | <p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p> | Payments in Anticipation of calls may carry interest |
| | LIEN | |
| 46. | The Company shall have a first and paramount lien upon | Company to have Lien on |

| Sr. No | Particulars | |
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| | all the 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 to be exempt from the provisions of this clause. | shares. |
| 47. | For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall 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 lieu thereof to the purchaser or purchasers concerned. | As to enforcing lien by sale. |
| 48. | The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale. | Application of proceeds of sale. |
| | FORFEITURE AND SURRENDER OF SHARES | |
| 49. | If any Member fails to pay the whole or any part of any call | If call or installment not paid, |

| Sr. No | Particulars | |
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| | <p>or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p> | <p>notice may be given.</p> |
| <p>50.</p> | <p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p> | <p>Terms of notice.</p> |
| <p>51.</p> | <p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p> | <p>On default of payment, shares to be forfeited.</p> |
| <p>52.</p> | <p>When any shares have been 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</p> | <p>Notice of forfeiture to a Member</p> |

| Sr. No | Particulars | |
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| | made in the Register of Members. | |
| 53. | Any shares 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 thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit. | Forfeited shares to be property of the Company and may be sold etc. |
| 54. | 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 as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. | Members still liable to pay money owing at time of forfeiture and interest. |
| 55. | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in 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. | Effect of forfeiture. |
| 56. | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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 shares. | Evidence of Forfeiture. |
| 57. | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares. | Title of purchaser and allottee of Forfeited shares. |
| 58. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the | Cancellation of share certificate in respect of forfeited shares. |

| Sr. No | Particulars | |
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| | defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. | |
| 59. | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable. | Forfeiture may be remitted. |
| 60. | 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. | Validity of sale |
| 61. | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit. | Surrender of shares. |
| | TRANSFER AND TRANSMISSION OF SHARES | |
| 62. | (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. | Execution of the instrument of shares. |
| 63. | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable | Transfer Form. |

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| | <p>provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p> | |
| 64. | <p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p> | <p>Transfer not to be registered except on production of instrument of transfer.</p> |
| 65. | <p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however 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;</p> | <p>Directors may refuse to register transfer.</p> |
| 66. | <p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory</p> | <p>Notice of refusal to be given to transferor and transferee.</p> |

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| | modification thereof for the time being in force shall apply. | |
| 67. | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company. | No fee on transfer. |
| 68. | The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. | Closure of Register of Members or debentureholder or other security holders. |
| 69. | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine. | Custody of transfer Deeds. |
| 70. | Where an application of transfer 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. | Application for transfer of partly paid shares. |
| 71. | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier 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. | Notice to transferee. |
| 72. | <p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to</p> | Recognition of legal representative. |

| Sr. No | Particulars | |
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| | <p>obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> | |
| 73. | <p>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 fit, 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 72 of the Companies Act.</p> | <p>Titles of Shares of deceased Member</p> |
| 74. | <p>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 56 of the Act.</p> | <p>Notice of application when to be given</p> |
| 75. | <p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation</p> | <p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p> |

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| | to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'. | |
| 76. | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. | Refusal to register nominee. |
| 77. | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. | Board may require evidence of transmission. |
| 78. | 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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. | Company not liable for disregard of a notice prohibiting registration of transfer. |

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| 79. | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit. | Form of transfer Outside India. |
| 80. | No transfer shall be made to any minor, insolvent or person of unsound mind. | No transfer to insolvent etc. |
| | NOMINATION | |
| 81. | <p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p> | Nomination |
| 82. | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be</p> | Transmission of Securities by nominee |

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| | <p>accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> | |
| | DEMATERIALISATION OF SHARES | |
| 83. | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form. | Dematerialisation of Securities |
| | JOINT HOLDER | |
| 84. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles. | Joint Holders |
| 85. | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. | Joint and several liabilities for all payments in respect of shares. |
| | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person; | Title of survivors. |

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| | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and | Receipts of one sufficient. |
| | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders. | Delivery of certificate and giving of notices to first named holders. |
| | SHARE WARRANTS | |
| 86. | The Company may issue warrants subject to and in accordance with provisions 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. | Power to issue share warrants |
| 87. | <p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for 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.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p> | Deposit of share warrants |
| 88. | (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 | Privileges and disabilities of the holders of share warrant |

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| | to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. | |
| 89. | 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. | Issue of new share warrant coupons |
| | CONVERSION OF SHARES INTO STOCK | |
| 90. | The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination. | Conversion of shares into stock or reconversion. |
| 91. | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. | Transfer of stock. |
| 92. | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. | Rights of stock holders. |
| 93. | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively. | Regulations. |
| | BORROWING POWERS | |

| Sr. No | Particulars | |
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| 94. | <p>Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, over s, cash credit</p> <p>or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.</p> | Power to borrow. |
| 95. | <p>Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> | Issue of discount etc. or with special privileges. |
| 96. | <p>The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.</p> | Securing payment or repayment of Moneys borrowed. |

| Sr. No | Particulars | |
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| 97. | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company. | Bonds, Debentures etc. to be under the control of the Directors. |
| 98. | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. | Mortgage of uncalled Capital. |
| 99. | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely 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. | Indemnity may be given. |
| | MEETINGS OF MEMBERS | |
| 100. | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings. | Distinction between AGM & EGM. |
| 101. | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members | Extra-Ordinary General Meeting by Board and by requisition |
| | (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 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 | When a Director or any two Members may call an Extra Ordinary General Meeting |

| Sr. No | Particulars | |
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| | Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. | |
| 102. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. | Meeting not to transact business not mentioned in notice. |
| 103. | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting. | Chairman of General Meeting |
| 104. | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant. | Business confined to election of Chairman whilst chair is vacant. |
| 105. | <p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>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.</p> <p>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.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> | Chairman with consent may adjourn meeting. |
| 106. | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member. | Chairman's casting vote. |
| 107. | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at | In what case poll taken without adjournment. |

| Sr. No | Particulars | |
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| | the meeting forthwith. | |
| 108. | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. | Demand for poll not to prevent transaction of other business. |
| | VOTES OF MEMBERS | |
| 109. | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum 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 or lien. | Members in arrears not to vote. |
| 110. | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy 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 sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. | Number of votes each member entitled. |
| 111. | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. | Casting of votes by a member entitled to more than one vote. |
| 112. | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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. | Vote of member of unsound mind and of minor |

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| 113. | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company. | Postal Ballot |
| 114. | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. | E-Voting |
| 115. | <p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p> | Votes of joint members. |
| 116. | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles | Votes may be given by proxy or by representative |
| 117. | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company. | Representation of a body corporate. |
| 118. | (a) A member paying the whole or a part of the amount | Members paying money in |

| Sr. No | Particulars | |
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| | 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 the moneys paid until the same would, but for this payment, become presently payable. | advance. |
| | (b) 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 preceding the date on which the vote was taken. | Members not prohibited if share not held for any specified period. |
| 119. | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that 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 his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. | Votes in respect of shares of deceased or insolvent members. |
| 120. | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | No votes by proxy on show of hands. |
| 121. | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. | Appointment of a Proxy. |
| 122. | An instrument appointing a proxy shall be in the form as | Form of proxy. |

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| | prescribed in the rules made under section 105. | |
| 123. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. | Validity of votes given by proxy notwithstanding death of a member. |
| 124. | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. | Time for objections to votes. |
| 125. | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. | Chairperson of the Meeting to be the judge of validity of any vote. |
| | DIRECTORS | |
| 126. | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution | Number of Directors |
| 127. | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. | Qualification shares. |
| 128. | <p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including</p> | Nominee Directors. |

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| | <p>receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p> | |
| 129. | The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. | Appointment of alternate Director. |
| 130. | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting. | Additional Director |
| 131. | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. | Directors power to fill casual vacancies. |
| 132. | Until otherwise determined by the Company in General | Sitting Fees. |

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| | Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof. | |
| 133. | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified. | Travelling expenses Incurred by Director on Company's business. |
| | PROCEEDING OF THE BOARD OF DIRECTORS | |
| 134. | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. | Meetings of Directors. |
| 135. | a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. | Chairperson |
| 136. | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote. | Questions at Board meeting how decided. |
| 137. | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to | Continuing directors may act notwithstanding any vacancy in the Board |

| Sr. No | Particulars | |
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| | that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. | |
| 138. | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. | Directors may appoint committee. |
| 139. | 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. | Committee Meetings how to be governed. |
| 140. | a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | Chairperson of Committee Meetings |
| 141. | a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. | Meetings of the Committee |
| 142. | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and | Acts of Board or Committee shall be valid notwithstanding defect in appointment. |

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| | was qualified to be a Director. | |
| | RETIREMENT AND ROTATION OF DIRECTORS | |
| 143. | Subject to the provisions of Section 161 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. | Power to fill casual vacancy |
| | POWERS OF THE BOARD | |
| 144. | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However 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. | Powers of the Board |
| 145. | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say | Certain powers of the Board |
| | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India. | To acquire any property , rights etc. |
| | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be | To take on Lease. |

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| | advised to be reasonably satisfy. | |
| | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company. | To erect & construct. |
| | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 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. | To pay for property. |
| | (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable 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. | To insure properties of the Company. |
| | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit. | To open Bank accounts. |
| | (7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled | To secure contracts by way of mortgage. |

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| | capital for the time being or in such manner as they think fit. | |
| | (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. | To accept surrender of shares. |
| | (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. | To appoint trustees for the Company. |
| | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. | To conduct legal proceedings. |
| | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency. | Bankruptcy & Insolvency |
| | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company. | To issue receipts & give discharge. |
| | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. | To invest and deal with money of the Company. |
| | (14) 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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think | To give Security by way of indemnity. |

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| | fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon; | |
| | (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise. | To determine signing powers. |
| | (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company. | Commission or share in profits. |
| | (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company. | Bonus etc. to employees. |
| | (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such | Transfer to Reserve Funds. |

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| | <p>special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p> | |
| | <p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts 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 fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p> | <p>To appoint and remove officers and other employees.</p> |
| | <p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any</p> | <p>To appoint Attorneys.</p> |

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| | Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. | |
| | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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. | To enter into contracts. |
| | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees. | To make rules. |
| | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company. | To effect contracts etc. |
| | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. | To apply & obtain concessions licenses etc. |
| | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents. | To pay commissions or interest. |
| | (26) To redeem preference shares. | To redeem preference shares. |

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| | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise. | To assist charitable or benevolent institutions. |
| | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. | |
| | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the 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. | |
| | (31) 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. (32) 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 | |

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| | <p>and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 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.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p> | |
| | MANAGING AND WHOLE-TIME DIRECTORS | |
| 146. | a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a | Powers to appoint Managing/ Wholetime |

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| | <p>Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, 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.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p> | Directors. |
| 147. | <p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p> | Remuneration of Managing or Wholetime Director. |
| 148. | <p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the</p> | Powers and duties of Managing Director or Whole-time Director. |

| Sr. No | Particulars | |
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| | <p>Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) 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.</p> <p>(5) 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.</p> | |
| | Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer | |
| 149. | <p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being</p> | Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer |

| Sr. No | Particulars | |
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| | done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. | |
| | THE SEAL | |
| 150. | <p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p> | The seal, its custody and use. |
| 151. | The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. | Deeds how executed. |
| | Dividend and Reserves | |
| 152. | <p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such</p> | Division of profits. |

| Sr. No | Particulars | |
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| | share shall rank for dividend accordingly. | |
| 153. | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. | The company in General Meeting may declare Dividends. |
| 154. | <p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> | Transfer to reserves |
| 155. | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. | Interim Dividend. |
| 156. | 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. | Debts may be deducted. |
| 157. | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share. | Capital paid up in advance not to earn dividend. |
| 158. | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly. | Dividends in proportion to amount paid-up. |

| Sr. No | Particulars | |
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| 159. | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same. | Retention of dividends until completion of transfer under Articles . |
| 160. | 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 payable to any member all such sums of money so due from him to the Company. | No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof. |
| 161. | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer. | Effect of transfer of shares. |
| 162. | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share. | Dividend to joint holders. |
| 163. | <p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> | Dividends how remitted. |
| 164. | Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. | Notice of dividend. |
| 165. | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. | No interest on Dividends. |
| | CAPITALIZATION | |
| 166. | (1) The Company in General Meeting may, upon the recommendation of the Board, resolve: | Capitalization. |

| Sr. No | Particulars | |
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| | <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(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 proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p> | |
| 167. | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in</p> | Fractional Certificates. |

| Sr. No | Particulars | |
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| | <p>fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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 questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> | |
| 168. | <p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p> | Inspection of Minutes Books of General Meetings. |
| 169. | <p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by</p> | Inspection of Accounts |

| Sr. No | Particulars | |
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| | the Board or by the company in general meeting. | |
| | FOREIGN REGISTER | |
| 170. | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers. | Foreign Register. |
| | DOCUMENTS AND SERVICE OF NOTICES | |
| 171. | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed. | Signing of documents & notices to be served or given. |
| 172. | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company. | Authentication of documents and proceedings. |
| | WINDING UP | |
| 173. | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p> | |
| | INDEMNITY | |

| Sr. No | Particulars | |
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| 174. | Subject to provisions 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 to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act 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 officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. | Directors' and others right to indemnity. |
| 175. | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or 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, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. | Not responsible for acts of others |
| | SECRECY | |
| 176. | (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration | Secrecy |

| Sr. No | Particulars | |
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| | <p>pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p> | |
| | <p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p> | <p>Access to property information etc.</p> |

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda Ahmedabad – 382330, Gujarat from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated April 6, 2015 between our Company and the Lead Manager.
2. Agreement dated April 6, 2015 between our Company and Karvy Computershare Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated April 6, 2015 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated April 6, 2015 between our Company, Market Maker and the Lead Manager.
5. Escrow Agreement dated April 6, 2015 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 08, 2015
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 08, 2015

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated March 26, 2015 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated March 27, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated March 30, 2015 issued by our Peer Review Auditor M/s Mistry and Shah; Chartered Accountants.
5. Report of the Peer Review Auditor, M/s Mistry and Shah, Chartered Accountants dated April 4, 2015 on the Restated Financial Statements for the Period ended on January 31st, 2015 and Financial Year ended as on March 31, 2014, 2013, 2012 & 2011 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated May 7, 2015, to use the name of BSE in this



offer document for listing of Equity Shares on SME Platform of BSE Limited.

8. Due Diligence Certificate dated April 6, 2015 from Lead Manager to BSE Limited.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 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 Prospectus are true and correct.

Signed by all the Directors of our Company

| Name and designation | Signature |
|---|-----------|
| Govindbhai Patel <i>Managing Director</i> | Sd/- |
| Rameshbhai Patel <i>Whole-time Director</i> | Sd/- |
| Monghiben Patel <i>Non Executive Director</i> | Sd/- |
| Paresh Patel <i>Independent Director</i> | Sd/- |
| Abhishek Patel <i>Independent Director</i> | Sd/- |
| Vinod Patel <i>Independent Director</i> | Sd/- |

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/-
Bhaveshbhai Patel
Chief Financial Officer

Sd/-
Nisha Jha
Company Secretary & Compliance Officer

Place: Ahmedabad
Date: June 16, 2015

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH 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 10 th calendar day from listing day | Benchmark index as on 10 th calendar day from listing day (closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar day from listing day (closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar day from listing day (closing) |
|--------|--------------------------------------|-----------------|-------------------|-------------------|-------------------------------|-------------------------------|--|---|--|--|--|---|--|---|
| 1. | Si. Vi. Shipping Corporation Limited | 6.855 | 25.00 | March 06, 2014 | 26.10 | 26.10 | 4.40 | 21,513.87 | 36.15 | 21,832.61 | 34.80 | 22,095.30 | 35.00 | 22,343.45 |
| 2. | Women's Next Loungeries Limited | 6.50 | 65.00 | April 21, 2014 | 67.00 | 67.50 | 3.85 | 22,764.83 | 70.00 | 22,403.89 | 70.00 | 23,551.00 | 71.00 | 24,298.02 |
| 3 | Ultracab (India) Limited | 7.97 | 36.00 | October 10, 2014 | 38.00 | 38.05 | 5.69 | 26,297.38 | 38.25 | 26,429.85 | 38.00 | 26,429.85 | 39.00 | 27,346.33 |
| 4. | Momai Apparels Limited | 30.00 | 78.00 | October 16, 2014 | 78.00 | 79.70 | 2.18 | 7,748.20 | 86.15 | 79,91.70 | 86.15 | 8,338.30 | 81.00 | 8,430.75 |
| 5. | Jet Infraventur | 4.50 | 125.00 | November 25, 2014 | 130.00 | 129.10 | 3.28 | 28,338.05 | 127.15 | 28,458.10 | 127.90 | 27,319.56 | 128.00 | 27,241.78 |

| 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 10 th calendar day from listing day | Benchmark index as on 10 th calendar day from listing day (closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar day from listing day (closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar day from listing day (closing) |
|--------|--|-----------------|-------------------|----------------|-------------------------------|-------------------------------|--|---|--|--|--|--|--|--|
| | e Limited | | | | | | | | | | | | | |
| 6 | Supreme (India) Impex Limited | 7.872 | 60.00 | March 31, 2015 | 62.00 | 61.30 | 2.17 | 8491.00 | 62.50 | 8780.35 | 61.00 | 8448.10 | 62.50 | 8181.50 |
| 7 | Filtra Consultants and Engineers Limited | 3.112 | 42.00 | April 15, 2015 | 42.80 | 44.90 | 6.90 | 28,799.69 | 42.00 | 27,176.99 | 42.00 | 27,440.14 | 43 | 27,324.00 |

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered

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 30 th Calendar day from listing date | | | Nos of IPOs trading at premium on 30 th Calendar day from listing date | | |
|----------------|------------------|-----------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 13-14 | 1 | 6.855 | - | - | - | - | - | 1 | - | - | - | - | 1 | - |
| 14-15 | **5 | 56.844 | - | - | - | - | - | 5 | - | - | - | - | - | 5 |
| 15-16 | ***1 | 3.112 | | | | | | 1 | - | - | - | - | - | 1 |

*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

**The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015

***The Scripts of Filtra Consultants and Engineers Limited was listed on April 15, 2015.